

John F. Muhl, Miles.
 Vivian A. Meredith, Norway.
 Martin S. Copenhaver, Ralston.
 Viola L. Eaton, Woden.

KANSAS

Ivan R. Cordill, Bern.
 Orval B. Cantrill, Harveyville.
 Charles Dean Ross, Pawnee Rock.

LOUISIANA

Milton E. Kidd, Choudrant.
 John A. Moody, Cotton Valley.
 Lubin Mire, Cut Off.
 Thera N. Stovall, Dodson.
 Clifford O. Williams, Good Pine.
 Azalee W. Nelson, Haughton.
 Claud Jones, Longleaf.
 Alfred L. Dupont, Simmesport.
 Beckie D. Bradford, Tullos.

MASSACHUSETTS

Joseph P. Bartley, Barrowsville.
 Josephine M. Connell, Forge Village.
 Joseph E. Fietz, Islington.
 Agnes T. Doyle, Lynnfield.
 Joseph F. Totman, Norwell.
 Mary M. Hill, West Groton.

SOUTH CAROLINA

John E. Wigington, Anderson.
 Fred L. Armstrong, Bath.
 Edward M. Kennedy, Blackstock.
 Gordon S. Beard, Myrtle Beach.
 Gordon W. Morris, Society Hill.
 Mollie S. West, Tucapau.

UTAH

Reuben J. Peterson, Santaquin.

WYOMING

Eva I. Fleenor, Fort Laramie.
 Richard M. Turner, Frontier.
 Ina E. Gentry, Lance Creek.

HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 3, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou blessed and Holy One, who dost turn Thy countenance upon the upturned faces of Thy children, we pray that we may find in another day Thy wondrous providence. Give us, our Father, the vision to see the way where duty lies and fortitude to walk in its path. All hail the new humanity which comes marching to the melody of our Savior's ever-growing kingdom; blessed day when the Golden Rule shall become universal. We praise Thee for the joy of living, for the day dawn and the evening hush, and for all the harmonies of Nature that surround our earthly life. May they speak to us in the witness of Thy Fatherhood. Keep our hearts in tune with the divine until we stand in the great forever of endless love and youth. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution which I have introduced.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of reorganization of the Government departments.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE FARM BILL

Mr. JONES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8505) to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8505, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose yesterday there was pending an amendment offered by the gentleman from Arizona [Mr. MURDOCK].

The Clerk will again report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK of Arizona: Page 8, line 13, after the word "the", strike out "ten" and insert "five."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona.

Mr. JONES and Mr. WHITTINGTON rose.

The CHAIRMAN. The Chair may state that debate has been limited on section 2 and all amendments thereto, but there remain 3½ minutes which have not been used.

Mr. JONES. Mr. Chairman, I desire recognition on this amendment, and I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. It strikes me that this amendment should be adopted, Mr. Chairman, because the period for cotton, rice, and tobacco is 5 years, but for wheat and corn it is 10 years.

Mr. JONES. No; as a matter of fact the cotton allotment provision in title III needs correction. The period ought to be 10 years there. I hope the committee will not agree to this amendment, because this is the basis of measuring payments related to yields. The 5 years is used as a basis for determining the tilled acres, but when you come to determining the amount of payments you need the 10-year basis. There is a special reason for this in the fact that a good many of these 5 years have been drought years in large sections of the country. When the drought years are eliminated, so small a number is left that you do not get an average. Therefore, in getting a production basis for the purpose of determining payments all of it ought to be on a 10-year basis. It was a drafting mistake in the cotton quota provision. When you come to get a production basis it ought to be 10 years.

Mr. WHITTINGTON. In other words, the language on page 58 in the definition of "normal yield" should be "10 years" instead of "5"?

Mr. JONES. It should be "10." We expect to make this correction when we reach that section. For this reason I hope the amendment will not be agreed to.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield to the gentleman from Missouri.

Mr. ZIMMERMAN. Does the gentleman mean to say you are going to extend this over a period of 10 years and eliminate States which have new land?

Mr. JONES. No, no; the allotment is on an acreage basis, and that is 5 years; but when you come to gaging the amount of production on the land—that is, to gage the productivity and the amount of payment based thereon—5 years is used. That has nothing to do with acreage allotments made, naturally.

Mr. ZIMMERMAN. I understand.

Mr. JONES. That is only for the purpose of conforming the productive value of the land and the amount of payments.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield to the gentleman from South Dakota. Mr. CASE of South Dakota. If this amendment were adopted, it would be very unfair to all of the drought area?

Mr. JONES. It certainly would. If this were done, it would practically wreck the drought area.

Mr. CASE of South Dakota. The unfairness of using the last 5 years to determine normal wheat and corn allotments is shown by these figures which I have obtained from the Department of Agriculture this morning:

WHEAT	
United States:	Bushels
5-year average, 1933-37	12.3
10-year average	13.3
South Dakota:	
5-year average	5.5
10-year average	7.9
Nebraska:	
5-year average	11.9
10-year average	14.0
CORN	
United States:	
5-year average, 1933-37	21.3
10-year average	23.0
South Dakota:	
5-year average	11.4
10-year average	13.5
Nebraska:	
5-year average	10.4
10-year average	16.8

Even using the last 10 years is hard on corn, as these figures show:

	Bushels
1924-33, United States	24.8
1924-33, South Dakota	17.1

In all fairness the amendment should be rejected.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. MURDOCK].

The amendment was rejected.

Mr. O'CONNOR of Montana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR of Montana: On page 5, line 14, strike out all after the period down through the period in line 18 and insert the following: "The allotment to any farm on which wheat has been planted during not more than 2 of such years shall be one-half that which would otherwise be made. The allotment to any farm on which wheat has been planted during 3 of such years shall be three-fourths, and if planted during 4 of such years shall be four-fifths of the farm allotment which would otherwise be made."

Mr. JONES. Mr. Chairman, the amendment is agreeable to the committee.

The amendment was agreed to.

Mr. JONES. Mr. Chairman, on page 5, line 7, I desire to offer an amendment. After the word "wheat", strike out "and rice."

The Clerk read as follows:

Committee amendment offered by Mr. JONES: On page 5, in line 7, strike out the words "and rice."

The committee amendment was agreed to.

The Clerk read as follows:

REDUCTIONS IN PAYMENTS UNDER SOIL-CONSERVATION PROGRAM

Sec. 3. Section 8 of the Soil Conservation and Domestic Allotment Act, as amended, is further amended by adding a new subsection as follows:

"(e) Any payment that would otherwise be made to any producer pursuant to the terms of this section shall be reduced to 25 percent of the amount thereof in excess of \$2,000. The following amounts shall be excluded in determining the amount to which the reduction is to be applied in the case of payments made to a landowner:

"(1) Amounts paid to him which represent a tenant's or sharecropper's share of the payment; and

"(2) Amounts representing the landowner's share of a payment made with respect to land operated under a tenancy or sharecropper relationship if the division of the payment between the landowner and the tenant or sharecropper is determined by the local committee to be in accordance with fair and reasonable standards of sharing prevailing in the locality.

In computing any such reduction, payment shall be computed separately with respect to performance in any State, Territory, or possession for each year. In computing reductions under this subsection, the determination of the Secretary as to the status of any

producer shall be final; in any such determination, there shall be taken into account the status, if any, of any producer, or his predecessor in interest, as of January 1, 1937."

Mr. ANDRESEN of Minnesota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDRESEN of Minnesota: On page 9, line 13, strike out the period after "\$2,000", insert a comma and the following language: "And no total payment to any producer for his share of the payment shall exceed \$5,000."

Mr. ANDRESEN of Minnesota. Mr. Chairman, the purpose of this amendment is to protect the man who has a family-sized farm and to prevent excessive payments such as were made under the Agricultural Adjustment Act.

I hold in my hand Senate Document No. 274, Seventy-fourth Congress, second session, which gives a list of hundreds of payments made to large corporation producers in this country in amounts from \$10,000 per year up to \$1,000,000 per year. The payments made during the 3 years of the Agricultural Adjustment Act to large commercial producers became a scandal throughout the United States. If you will take the trouble to go through the Senate document showing these payments above \$10,000, you will note they were made mostly to large corporation farmers.

I call your particular attention to the payments made to the Delta Pine Land Co., a British plantation syndicate, operating in the State of Mississippi, of which Mr. Oscar Johnson is the manager. During 1933 this British corporation received a benefit payment of \$114,000 on cotton, in 1934 \$125,000 on cotton, and in 1935, \$126,000 on cotton. So, I could cite to you pages and pages of payments made in excess of \$10,000 and amounting to several hundred thousand dollars to these large corporation farmers.

I am interested in the family-sized farmer. He is the one who should have the benefits of this legislation. Not a single family-sized farmer will receive up to \$5,000, and I feel satisfied if the large farmers receive a maximum benefit payment of not in excess of \$5,000, they will be having their fair share of the subsidy which is being paid by the taxpayers of this country. The average small farmer will get less than a hundred dollars. This is the maximum benefit he will receive from this act, while on the other hand the large operator or the large corporation farmer who plants and harvests thousands of acres of land will receive much larger payments running into large sums of money for producing the surpluses in this country which are creating the distress for agriculture in general.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I am sorry, I have not the time now.

Mr. FULMER. I wanted to help the gentleman.

Mr. ANDRESEN of Minnesota. I feel that if any large operator receives \$5,000, that is as much as he should have, and therefore let us take care of the man who operates a family-sized farm and who is interested in building up a community and providing for the general welfare of those with whom he is associated.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield.

Mr. WHITTINGTON. At the time the payments were made to the owners of the property of which Hon. Oscar Johnston, of Mississippi, is the manager, what amounts were paid to the hundreds of tenants on that property?

Mr. ANDRESEN of Minnesota. My amendment takes care of that and provides that for the producer's share of his payment he shall have not in excess of \$5,000, and should he receive any amount to be paid over to his tenant that is excluded from the provisions of my amendment.

Mr. WHITTINGTON. In other words, if the gentleman had his way, the landlord would furnish the land and the tenants would get the benefit payments. I believe he would wreck the whole program. I believe in treating all farmers, large and small, fairly. I extend my remarks by saying that Hon. Oscar Johnston, the manager of the Delta & Pine

Land Co., has cooperated in all of the cotton programs. While the benefits to his properties were large, these properties provide homes for probably a thousand sharecroppers. They are located in the district that I represent. He operates the property almost exclusively by using sharecroppers. Substantially half of the benefits, under the rules and regulations, were paid to the sharecroppers. Large acres of land were taken out of cotton production. I believe that small cotton growers generally were thus benefited. If Mr. Johnston had refused to cooperate, he would probably have made more money. The income to him and his tenants on the Government-rented acres would have been more than the benefits.

If there is to be a cotton program, all farmers should cooperate. I doubt the legality of any statute that would discriminate against either small or large owners. I doubt the constitutionality of any act that would pay benefits for rentals on 5 acres of land and deny equivalent benefits on 25 acres of the same type of land. There would be confiscation of private property.

The authors of the pending amendments, in an effort to help the small farmer, are doing him an injustice by opening the door for acreage in large ownership to remain outside of the program. The small owner will reduce. The large owner will not reduce; he will prefer to stay out of the program rather than be deprived of his property without due process of law and rather than be discriminated against.

I repeat that the adoption of the amendment by the gentleman from Minnesota [Mr. ANDRESEN] or the substitute by the gentleman from Texas [Mr. PATMAN] would seriously cripple the program. It might injure rather than help the small farmer. The large owner would stay out of the program; he would decline the benefits. In the long run the small grower, by receiving a small price, would suffer.

The committee, in section 3, undertook to limit the amounts by reducing 25 percent of the amount in excess of \$2,000. The committee has certainly gone far enough, but the committee recognized that the amounts mentioned in subparagraphs (1) and (2) should be excluded in determining the amount to which the reduction is to be applied. The chairman of the committee, Mr. JONES, stated that he preferred the language of the bill. He frankly agreed that rather than the sliding reduction of 25 percent he had included in his original bill, he personally was not averse to a maximum of \$10,000 in lieu of the reduction by 25 percent in excess of the \$2,000. He stated, however, that the landlord would receive the amounts representing his share, as set forth in subparagraphs (1) and (2). In other words, if the amounts in subparagraphs (1) and (2) accruing to the landlord, with other benefits, exceeded \$10,000, the amounts would be paid. The chairman suggested \$7,500 as a compromise. Frankly, it is my view that the amendment adopted goes much further than the chairman of the committee proposed. The Patman substitute would prevent the landlord receiving the amounts representing his share of the payments to sharecroppers mentioned in subparagraphs (1) and (2) in the event they exceeded \$7,500. The language should be clarified in conference so that it might at least carry out the views of the committee and of the chairman. The committee, in the bill, has encouraged large owners to operate through sharecroppers. The substitute amendment would prevent this being done. The tenant and the sharecropper would suffer. There would be no inducement for the large owner to have a tenant or a sharecropper. The substitute, unless modified, instead of providing for the sharecropper, will do him great harm, for I repeat that the landlord would not receive any more benefits by having sharecroppers than he would by having no tenants or sharecroppers at all. The amendment should be rejected by the House or clarified in conference.

Mr. ANDRESEN of Minnesota. I do not yield further. I do not want to wreck the program.

[Here the gavel fell.]

Mr. ANDRESEN of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ANDRESEN of Minnesota. I may say in answer to the gentleman from Mississippi [Mr. WHITTINGTON] it is not our purpose to ruin the program. What we want to do is to help the tenant and sharecropper and the small family-sized operator so that he will get a more equitable distribution. The big operator does not need a subsidy from the Government. It is the small man struggling to get along who needs the assistance that the Congress and the Federal Government are providing for him.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield to the gentleman.

Mr. FLANNAGAN. I am in sympathy with the principle involved in the gentleman's amendment. I am just wondering if he has any figures showing what percentage of the farmers would be affected by the amendment.

Mr. ANDRESEN of Minnesota. Oh, I imagine this booklet will show there are at least 5,000 large operators in this country who would receive from \$10,000 to over \$100,000 if my amendment were not adopted.

Mr. FLANNAGAN. Ten thousand out of some 6,000,000 farmers?

Mr. ANDRESEN of Minnesota. That is probably true; but these large operators cultivate large tracts of land, especially in cotton and wheat.

Mr. FLANNAGAN. Has the gentleman the actual number?

Mr. ANDRESEN of Minnesota. I do not have the figure.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield.

Mr. FULMER. In connection with the statement the gentleman has made, I understand one of the parties the gentleman has referred to, as well as numerous others in his section, planted from 80 to 90 percent of the tilled acreage and got these benefits, whereas the small farmers were not permitted to plant the acreages and did not get the benefits.

Mr. ANDRESEN of Minnesota. I will say further to the gentleman that these same individuals are putting all the possible land they can put under cultivation in order to get larger benefit payments from the Federal Government to take the market away from the small family-sized operator.

I hope, Mr. Chairman, that this amendment will be adopted and included in the bill.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. ANDRESEN] has again expired.

Mr. JONES. Mr. Chairman, I desire recognition. I ask unanimous consent, Mr. Chairman, that an amendment offered by my colleague from Texas [Mr. PATMAN] be read for information.

The CHAIRMAN. The gentleman from Texas [Mr. PATMAN] offers a substitute amendment, which the Clerk will report.

The Clerk read as follows:

Substitute offered by Mr. PATMAN for the amendment offered by Mr. ANDRESEN of Minnesota: On page 9, line 13, strike out the period after the figures "\$2,000", insert a comma and the following language: "and no total payment to any producer for his share of the payment shall exceed \$10,000."

Mr. JONES. Mr. Chairman, the committee had a great deal of discussion over this whole proposition. As our bill was originally prepared, the reductions began at \$2,000; from \$2,000 to \$5,000 there was a 25-percent reduction; from \$5,000 to \$10,000 there was a 50-percent reduction. All payments over \$10,000 were forbidden. We had quite a division of opinion. I would like to have the judgment of the House on this but I am anxious for the House to understand fully the import of the whole situation.

We cannot determine landownership here. We cannot determine property values here. Here was the motive that impelled a majority of the committee to take off the \$10,000

limit and even the 50-percent reduction between \$5,000 and \$10,000. The feeling was that men with large acreages might say, "Well, I will grow all I please."

We felt that with a 25-percent reduction a man on a large tract could do his soil conserving in one unit with a 25-percent less expenditure.

I am perfectly willing to accept the judgment of the House on this. I do not think the prohibition ought to go under \$10,000. Ten thousand dollars would take in most of the actual farms in the country. When you get above \$10,000 the number is rather limited. I am very doubtful whether we ought to have any further limitation than is in the bill. I am just trying to get the whole picture before the House in order to get the judgment of the House.

If we have a soil-conservation program that only applies to the small man and to such incidental adjustment only as is made by him, you may, if you are not reasonable about this thing, tend to injure your own purpose. The gentleman is thoroughly familiar with all the arguments that have been made.

Mr. ANDRESEN of Minnesota. Will the gentleman yield?

Mr. JONES. I yield.

Mr. ANDRESEN of Minnesota. The gentleman offered a substitute amendment?

Mr. JONES. My colleague [Mr. PATMAN] offered it. It is the same that the committee originally had, a \$10,000 limit.

Mr. ANDRESEN of Minnesota. Is the gentleman now talking on the substitute?

Mr. JONES. I am talking on the whole question, so that the House may vote its judgment. I think this matter ought to be thoroughly considered, and I know the gentleman thinks it should be.

Mr. ANDRESEN of Minnesota. The gentleman would prefer that the bill would remain as it is at present, without any limitation excepting the 25 percent?

Mr. JONES. No. I had in my original bill, as the gentleman will remember, a \$10,000 limitation. A majority of the committee felt—and I felt that the whole position of the committee ought to be before the House—that it might be wiser from a practical viewpoint of adjustment as well as of soil conservation not to have a limitation. Personally I introduced it as a \$10,000 limitation, with a 50-percent reduction between \$5,000 and \$10,000. I think certainly if the House adopts the other amendment the gentleman ought not to try to put it below \$10,000, in view of these facts. I am perfectly willing for the House to vote its judgment on that question.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. DONDERO. What will be the position of tenant and sharecropper, as the gentleman from Mississippi stated, if this amendment is adopted, even limiting it to \$10,000?

Mr. JONES. If the gentleman will look at the subsequent provisions, this reduction does not apply to the tenant or sharecropper, nor to the landlord's part of the payment or division of payment that is made to the tenant and the landowner. The landowner, as I prefer to call him, may draw any amount if he has tenants, and he is not subject to the limitation. So this limitation would, for all practical purposes, apply only to a man who is operating his own land. So I do not think it is as serious to put in such a limitation. Personally I thought that the \$10,000 limitation was proper, and so introduced the bill.

Mr. SNELL. Will the gentleman yield?

Mr. JONES. I yield.

Mr. SNELL. It seems to me from the discussion of this bill so far that it is primarily to take care of the little fellow, and the little fellow has had more or less exceptions made in his favor. Now, if that is the general policy of the bill, there are very few of the regular ordinary farmers, as we understand them, who would ever get more than \$5,000, are there not?

Mr. JONES. There are quite a few between five and ten thousand. There are not very many over ten thousand. I checked up on the record.

Mr. SNELL. Would we not have to get into the large acreage, where you call it almost community farming?

Mr. JONES. No. I think in the wheat areas, especially in the Southwest, and I think perhaps in the far West, there are a great many farms where the payments to actual farmer runs above \$5,000, but there are a few that run over \$10,000.

The CHAIRMAN. The time of the gentleman from Texas [Mr. JONES] has expired.

Mr. SNELL. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. SNELL. We would have to get up into the thousand-acre farms or above to get \$5,000.

Mr. JONES. I think you would. In southwest Kansas, Nebraska, and that part of the country the yield varies. In certain years it amounts to a good deal. My effort was to get the complete picture before the House, to get the judgment of the House on the true picture. Unless there are a great number of farms that come within that bracket it might complicate the program a good deal.

Mr. SNELL. I think that there should be some limitation so we shall not have a repetition of some of the things that happened before where one organization drew \$1,000,000.

Mr. JONES. And that was my personal thought; but I felt that the subject was thoroughly discussed in the committee, and the majority of the committee felt that it might work an injury to the smaller man if the larger man was left entirely out of the program.

Mr. SNELL. That might be true.

Mr. JONES. That is the thing that impelled the majority. I am rather inclined to think myself that there should be possibly a \$10,000 limit. I do not know that it should be so small as \$5,000. I think that is too small.

Mr. SNELL. I think there should be some limitation.

Mr. JONES. I think probably we could get further if we took a \$10,000 limitation rather than \$5,000.

Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. ANDRESEN of Minnesota. Does the gentleman from Texas consider the man who produces 1,000 bales of cotton a large or a small operator?

Mr. JONES. He is a large operator.

Mr. ANDRESEN of Minnesota. His payment under soil conservation of 2.4 cents would be close to \$12,000 if he had that much acreage in cotton.

Mr. JONES. Yes.

Mr. ANDRESEN of Minnesota. There are many large operators who raise more bales of cotton than that.

Mr. JONES. Yes.

Mr. ANDRESEN of Minnesota. And some of the payments should go by as high as \$50,000 or \$100,000.

Mr. JONES. Yes. I am inclined to think that there should be a limitation. So far as I personally am concerned, I would not object to a \$10,000 limitation, but the majority of the committee felt otherwise, and I feel impelled in presenting the matter to defend the viewpoint of the whole committee. It was pretty closely divided, however.

Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield further?

Mr. JONES. I yield.

Mr. ANDRESEN of Minnesota. We did not consider the proposed total payment. What we considered was a reduction in the \$2,000 payment.

Mr. JONES. Yes; we considered both.

Mr. ANDRESEN of Minnesota. Probably I was not there.

Mr. JONES. We considered both. We considered reduction in the \$2,000 that we had in the original bill, the 25-percent reduction between \$2,000 and \$5,000; a 50-percent

reduction between \$5,000 and \$10,000; and an absolute prohibition on anything running over \$10,000. After thoroughly going over it, however, they first dropped out the \$5,000, and then we decided by a majority vote to strike out the total limitation, as I recall it.

I am inclined to the opinion that if it could be agreed all the way around to have a \$10,000 limitation rather than \$5,000, in view of the fact that men who operate through tenants and sharecroppers are protected, that it would be all right. This, however, is just my personal view.

[Here the gavel fell.]

Several Members rose.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. BARTON].

Mr. BARTON. Mr. Chairman, I beg the pardon of the House for referring to the consumer, but since this is a bill to raise the price of food and clothes in the United States, it seems to me important that we should tell the Nation who is going to pay the bill. In this connection I quote two sentences from a dispatch to the New York City papers of November 14:

Secretary Perkins announced today that living costs for families in the low-salaried and wage-earning groups in 32 large cities showed an average rise of 0.6 percent in the 3 months ending September 15. Miss Perkins said: "New York City reported the highest rise, 2.2 percent, due largely to the increase in food costs in that city."

Mr. Chairman, a newcomer to the Congress in these days might perhaps be pardoned for the uncomfortable feeling that there are now only two groups of any importance in these United States—farmers and unorganized labor. One needs to pinch himself and be reminded that there is also another group, the so-called American middle class. It numbers in its ranks professional men and women, small-business men and shopkeepers, white-collar workers, and the thrifty who have saved a few hundred dollars by their toil and invested it in the shares of American industries. Time was when these people were regarded highly; they were referred to as the backbone of the Nation. But unorganized, with no lobby, incapable of political pressure, they are currently treated as of little consequence. The idea seems to be that the Nation has lost its backbone or needs no backbone.

This, I think, is an unsound assumption. The middle class is long-suffering and slow to anger, but it is beginning now to stir. I think my Democratic colleagues from New York City will hear a murmuring when they go back to the cotton fields of Brooklyn, the rolling wheat fields of Manhattan, the warm tobacco fields of Harlem, and the sunny rice fields of the Bronx. They will hear voices asking: "Why should our cost of living be pushed always higher and higher? Why are we always the ones selected to have to foot the bill?" [Applause.]

[Here the gavel fell.]

Mr. PATMAN, Mr. GILCHRIST, and Mr. BOILEAU rose.

The CHAIRMAN. The gentleman from Texas [Mr. PATMAN] had offered a substitute but had not been recognized. The Chair feels that the gentleman from Texas [Mr. PATMAN] is entitled to prior recognition, after which the Chair will recognize the gentleman from Wisconsin [Mr. BOILEAU], a member of the committee.

LIMIT TO PAYMENTS

Mr. PATMAN. Mr. Chairman, the substitute has already been read.

The bill as it now stands provides that payments in excess of \$2,000 shall be reduced by 25 percent. This, I presume, is to encourage the use of farm families, and I believe it is a good purpose. Before the Congress adjourned the last time, our colleague the gentleman from Texas [Mr. JONES], chairman of this committee, introduced a farm bill.

There were three provisions that attracted my attention. One provision was that the Secretary of Agriculture would be charged with the duty of protecting the farmers against excessive and discriminatory freight rates. This provision is in the present bill. No one at this time is charged with

that duty. Another provision was that a sum of money would be appropriated to find new uses for cotton, which is a good purpose and is in the present bill. The other provision that attracted my attention was the amount of a payment that any one producer could receive was reduced to \$10,000. So this proposal is not my proposal. It is the proposal of the chairman of the Agricultural Committee [Mr. JONES] before the session of Congress closed last August, and, as he indicated to you this morning, he does not favor the proposal because the Committee on Agriculture did not adopt it; neither is he opposing the proposal. He indicated, if you are going to limit the size of the payments, he prefers personally as chairman of the Agricultural Committee that a \$10,000 limitation be placed instead of the \$5,000 limitation. I hope, therefore, that the substitute amendment will be agreed to. I would be for a lower limitation, if I believed it could be adopted.

This amendment will have a tendency to encourage these large operators to use farm families instead of hired labor. We have no right to compel anyone to use manpower in preference to machines; but I think it is our duty, since we are using public funds directly and indirectly for farm relief, to encourage the use of as many farm families and as many people as possible. It will take more people off the relief rolls.

Mr. Chairman, I know of communities in this Nation that a few years ago had the finest churches, schools, and homes in America. The farmers were making good money. They were well satisfied. But in certain communities you do not find those good homes now. They are gone. The churches and schools are gone. The farm families are not encouraged. This will be in the direction of encouraging farm families, thereby rebuilding the homes, churches, and schools of this Nation.

Mr. ANDRESEN of Minnesota. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Minnesota.

Mr. ANDRESEN of Minnesota. Will the gentleman restate his amendment so that we may get it clearly?

Mr. PATMAN. It is exactly like the amendment offered by the gentleman but it is \$10,000 instead of \$5,000.

Mr. ANDRESEN of Minnesota. So that no producer or tenant may get more than \$10,000?

Mr. PATMAN. Yes. I hope the gentleman will see fit to accept the substitute amendment, and I ask the Committee to vote for the substitute.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Wisconsin [Mr. BOILEAU] is recognized for 5 minutes.

Mr. BOILEAU. Mr. Chairman, the distinguished chairman of the Committee on Agriculture, the gentleman from Texas [Mr. JONES], stated that if the amendment offered by the gentleman from Minnesota [Mr. ANDRESEN] was accepted, many farmers who might otherwise come under the provisions of the bill would not see fit to come under the provisions of the bill, and he intimated further they would then go ahead and plant all the cotton, wheat, and corn they wanted to, thereby destroying the program.

Mr. Chairman, I want to take this opportunity to point out that even if the amendment offered by the gentleman from Minnesota [Mr. ANDRESEN] is accepted, an amendment which I believe is well justified, there is no possibility of these farmers, particularly the cotton farmers, staying out of the bill because from the standpoint of good common sense and from the standpoint of self-preservation they are forced to bring themselves under the provisions of the bill. In other words, if they do not elect to come under the provisions of the bill, they will stand to lose too much money. They will stand to lose so much money, and for this reason no cotton farmer who uses one ounce of intelligence would stay out of the program.

Now, what would the cotton farmers lose? Let us take for instance a large cotton owner who would receive a payment of ten or fifteen thousand dollars under the provisions of this section. In the first place, if he did not comply with the Soil Conservation Act, he would lose this \$5,000 we are

talking about. He would not get anything. He would not even get the \$5,000 that the amendment offered by the gentleman from Minnesota [Mr. ANDRESEN] would permit him to receive.

That in itself would encourage him to come under the provisions of the bill. In addition to that he would lose this subsidy for cotton we passed last year during the closing days of the session in the form of an amendment to the deficiency appropriation bill. You will recall that we authorized an appropriation of \$130,000,000 out of section 32 money to be paid to farmers, based upon the production of 1937 that is true, but the payment will actually be made in 1938, and we must assume that payment will amount to about 3 cents a pound. The bill provided for the difference between the selling price and 12 cents, but not to exceed 3 cents per pound; therefore, it is fair to assume the payment will be 3 cents per pound. It is true that the \$130,000,000 will not be enough to pay 3 cents a pound on all of the cotton produced in 1937, but in view of the fact this payment is to be made in 1938, in the coming crop year, we must assume it is a part of the program for this coming crop year. The payment of this 3-cent subsidy, based upon the 1937 crop, will actually be in the amount of 3 cents, provided this year's production does not exceed 65 percent of the bumper crop produced last year.

It is fair to assume we will not produce any more than 65 percent of the cotton we produced last year in the coming crop year. In view of the fact this payment is to be made this coming year to cotton producers who produced last year, it is a part of the coming year's program, and I submit that the subsidy under the provisions of that section will amount to 3 cents per pound on all of the cotton produced in 1938, payment to be made in 1938.

If the farmer does not comply he loses \$5,000, and under the provisions of this bill he will also lose that 3 cents; so he will lose in addition to the \$5,000 an amount approximating 3 cents per pound on the amount of cotton he produces in the coming year.

[Here the gavel fell.]

Mr. BOILEAU. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BOILEAU. Mr. Chairman, in addition to losing \$5,000 he loses the 3-cent subsidy. The bill provides on page 85 that Congress may authorize an additional appropriation, not an additional appropriation for section 3 which we are now considering, but an additional appropriation for making soil-conservation or other payments.

This provision in section 3 provides for soil-conservation payments, so that even though the farmer would not get his \$5,000, or even though he should be limited to \$5,000, if we authorized any other payments in addition to the soil-conservation payments the farmer would be entitled to receive such payments. I submit this bill is so constructed, with the subsidy of \$5,000 for the big farmers, according to the Andresen amendment, and then the 3 cents subsidy, together with the possibility of getting additional funds which could be paid only to those who cooperate, that there is not the slightest possibility of the cotton farmer not cooperating. As a matter of fact, there is a possibility of his getting under this bill in the form of benefit payments and subsidies for compliance an amount almost equal to the present selling price of the cotton. He has to comply, there is no question about it. Bear in mind that it is largely the cotton farmers who in the last couple of years have been receiving these large payments. You look at the figures in 1933 and 1934—the figures for the later years have not been compiled—and you will find very few other farmers received such payments. The large payments generally went to the cotton farmers.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I shall be pleased to yield to my distinguished friend, the chairman of the Committee on Agriculture.

Mr. JONES. The gentleman understands this is permanent legislation?

Mr. BOILEAU. That is true.

Mr. JONES. It applies to all crops—not just cotton.

Mr. BOILEAU. I appreciate that, but there is 3 cents a pound for next year. That is the one before us today.

Mr. JONES. The extra 3-cent payment is for only 1 year.

Mr. BOILEAU. I appreciate that.

Mr. JONES. The gentleman will find if he looks at the list that not anything like all of them are in the cotton areas.

Mr. BOILEAU. About 75 percent of those who have received these large payments of over \$10,000 have been in the cotton area, according to the information which has been given me by the distinguished member of the committee who is pressing this matter.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is it not true the 3-cent subsidy, or the 2½-cent subsidy, as it may be, is divided between the landlord and the sharecropper?

Mr. BOILEAU. It goes to the producer.

Mr. WHITTINGTON. Under the law and the regulations of the Department it is divided between the landlord and the sharecropper. Let us be fair about the matter. Unless the landlord gets the benefit payments the sharecropper will not get them.

Mr. BOILEAU. It goes to the producer, which means the landlord, unless there is some arrangement between the sharecropper and the landlord.

Mr. WHITTINGTON. The sharecropper gets one-half of it.

Mr. BOILEAU. I say, this payment goes to the producer. I presume there is an adjustment between the landowner and the tenant; but it is a subsidy on cotton, nevertheless.

Mr. WHITTINGTON. The Department makes the division. The landlord has nothing to do with it. The sharecropper's part is paid direct to him. It is not handled by the landlord at all.

Mr. BOILEAU. The cotton is divided before it is sold. The landowner gets his share and the sharecropper gets his share of the cotton. The landowner will receive every cent on the cotton that he sells, and the sharecropper will receive every cent on the cotton that belongs to him.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from South Carolina.

Mr. FULMER. In other words, the cotton farmer who produces 1,000 bales under the 3-cent subsidy on 65 percent of that cotton will receive over \$10,000. He would get at least \$5,000 under the Andresen amendment, and other benefits would be divided between landlord and numerous tenants, who usually receive a small amount. The gentleman is correct that if the farmer did not comply he would not receive any benefits, even the 3-cent subsidy, on the 1,000 bales.

Mr. BOILEAU. Absolutely.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from North Carolina.

Mr. COOLEY. In addition to the inducements the gentleman has mentioned, has not the gentleman overlooked the penalty of 2 cents a pound provided on the cotton which may be grown outside of the quota?

Mr. BOILEAU. The gentleman is correct. If these quotas go into effect, under the permanent program there is a 2-cents-a-pound penalty. I submit if you vote for either a \$5,000 or a \$10,000 limitation you should not be worried about the cotton farmer's complying. He is going to comply; there is no question about it.

[Here the gavel fell.]

Mr. ANDRESEN of Minnesota. Mr. Chairman, I rise in opposition to the substitute amendment, and I do so for the

purpose of clearing up any misunderstanding which may have occurred as a result of my amendment.

The amendment which I have offered provides the payment to any producer for his share of the benefits shall not exceed \$5,000. This does not take into consideration what is paid to the tenant or the sharecropper. It has to do only with the producer's own share of the payment due him.

Some of you may be surprised to learn that the philosophy of the Department of Agriculture has changed with reference to the Soil Conservation Act. I hold in my hand the soil-conservation program for 1938. During the years 1936 and 1937 the Federal Government, through the Department of Agriculture, paid subsidies and benefit payments to the farmers for taking land out of soil-depleting production and placing it into soil-conserving production. In other words, farmers were paid benefit payments for conserving soil and not for depleting soil fertility. The program for 1938, despite the intent of Congress, was changed so that in the 1938 program, no matter whether we pass this law or not, farmers will be paid for planting and producing soil-depleting crops.

The Secretary has fixed a payment to cotton farmers of 2.4 cents a pound for the cotton that is raised on the allotted acreage assigned to him, and a payment of 12 cents a bushel for wheat, and 10 cents a bushel for corn, while paying only 70 cents an acre for producing soil-conserving crops.

So that the main purpose and intent of the administration of the Soil Conservation Act as it stands today means that they have adopted a program of making benefit payments for planting of soil-depleting crops, such as cotton, corn, rice, and the other soil-depleting crops in this program.

The substitute amendment offered by the gentleman from Texas [Mr. PATMAN] providing for a \$10,000 payment, just doubles the amount to the large producer and in addition he will receive all these benefits provided in this bill for the present and for the future. It is his hope that Congress will provide under this program an additional subsidy not to exceed 3 cents a pound to be added to the 2½ cents a pound which he is to receive, and if he gets this he will possibly, as my colleague has said, receive an amount equivalent to the price he is now receiving for his cotton.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield.

Mr. JONES. I am just wondering if we could not compose the differences between the amendments and provide a limitation of \$7,500.

Mr. PATMAN. That will be agreeable to me.

Mr. ANDRESEN of Minnesota. In view of my love and affection for the chairman, I ask unanimous consent that my amendment may be modified to read \$7,500 instead of \$5,000.

Mr. WHITTINGTON. Reserving the right to object, Mr. Chairman, I would like to ask the gentleman if the amendment is modified and the amount made \$7,500, will the landlord or the owner still receive his part of the benefits that accrue to the tenants under subparagraphs (1) and (2), page 9?

Mr. ANDRESEN of Minnesota. Under my amendment, if the landlord is entitled to receive \$7,500 for his share, he will get that amount and the amount specified in my amendment has nothing to do with the amount he receives for distribution among the tenants.

Mr. WHITTINGTON. In other words, the amounts as provided by subsection (e), subparagraphs (1) and (2), page 9, in connection with payments to sharecroppers and tenants will be made as heretofore and as provided in the bill?

Mr. ANDRESEN of Minnesota. That is correct. The adoption of my amendment as modified by limiting any payment to a maximum sum of \$7,500, means that at least an additional \$25,000,000 will be made available for distribution to small farmers operating family-sized farms.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. JONES. Mr. Chairman, reserving the right to object, the vote on the substitute amendment would come first. Sup-

pose we let the substitute as amended be adopted and then the vote will be on the gentleman's amendment as amended by the substitute.

Mr. ANDRESEN of Minnesota. Let the gentleman withdraw his substitute.

Mr. PATMAN. In making the statement a while ago that I agree to the change, I had in mind asking unanimous consent to modify the substitute so as to make it read \$7,500, and I now ask unanimous consent that that be done.

Mr. ANDRESEN of Minnesota. Mr. Chairman, I object to that. Let the gentleman withdraw his amendment.

The CHAIRMAN. The Chair can only put unanimous consent requests one at a time, as they are made. The first request is the one made by the gentleman from Minnesota, who asks unanimous consent to modify his amendment by striking out \$5,000 and inserting in lieu thereof \$7,500. Is there objection?

Mr. WHITTINGTON. I object, Mr. Chairman.

Mr. JONES. Mr. Chairman, I offer an amendment to the substitute striking out \$10,000 and inserting \$7,500, with the understanding that when it is voted on the vote will then come on the Andresen amendment, as amended by the substitute.

The CHAIRMAN. Does the gentleman from Texas [Mr. PATMAN] renew his request?

Mr. PATMAN. No, Mr. Chairman. I am willing to yield to the chairman of the committee.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas [Mr. JONES].

The Clerk read as follows:

Amendment offered by Mr. JONES to the substitute amendment offered by Mr. PATMAN: Strike out \$10,000 and insert in lieu thereof \$7,500.

The amendment to the substitute was agreed to.

The CHAIRMAN. The question now recurs on the substitute amendment as amended.

The substitute amendment as amended was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota as amended by the substitute as amended.

The amendment, as amended by the substitute, as amended, was agreed to.

Mr. GILCHRIST. Mr. Chairman, reference has just been made by the eminent gentleman from New York to the high cost of living. Does the gentleman know and does the House know that there is an enormous spread between the farmer and the dinner table, and this is where the trouble lies?

Mr. THOMAS of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. Momentarily I would prefer to make a statement, as I only have 5 minutes.

Mr. THOMAS of New Jersey. I would simply like to add that the real trouble lies in the high cost of government. That is why our living is so high today.

Mr. GILCHRIST. It may be one of the troubles, but it is not the real or only trouble.

The figures show that during 1937, which was a year of comparatively high unit prices for grains and foods, the farmer got only 46 cents of the dollar that the consumer in New York, or anywhere else, paid, and the rest of it went to the businessmen who dealt in these commodities (some of them fairly enough) and to the speculators, the gamblers, and the processors. If the cost of living is too high, do not lay the fault on the doorstep of the farmer. [Applause.] I am amazed at the statement read here, that the cost went up 2 or 3 percent during October this year, because that is the very month when farm prices, wheat, corn, and everything, went down amazingly. During the month of October the index figure of the farmer went down from 88 cents to about 83 or 84 cents. So let gentlemen be fair with the farmers and not say that only persons taken care of on this floor are the farmers and laborers, because the figures are quite at variance with that view.

The CHAIRMAN. The time of the gentleman from Iowa, [Mr. GILCHRIST] has expired.

Mr. RICH. Mr. Chairman, I move to strike out the last word. I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. That permission has already been granted.

Mr. JONES. Will the gentleman yield for a request?

Mr. RICH. I yield.

Mr. JONES. Mr. Chairman, in order to get along, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

Mr. CANNON of Missouri. Reserving the right to object, would the gentleman make that 10 minutes?

Mr. JONES. Yes. I will make it 10 minutes, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that all debate on this section and all amendments thereto close in 10 minutes. Is there objection?

There was no objection.

Mr. RICH. When the gentleman made the statement that we could not lay on the doorstep of the farmer the high cost of living I certainly agree with him, but I want to say that it is not the farmer that is causing the high cost of living, but it is the Members of Congress that have increased the cost of living. Whenever we adopt a plan of trying to pay the farmers for raising nothing on their farms, so that the people of this country in Harlem, in Brooklyn, in Manhattan, and the Bronx cannot buy commodities at a reasonable price, then we \$10,000-a-year salaried Members of Congress are doing a thing that is absolutely wrong, in my judgment. We should have reduced salaries for passing such legislation of destruction of farm commodities. We should pay the farmers for raising produce so that the people of this country can get cheap commodities and be able to save themselves. In that manner the farmer would be paid for producing, and rightfully that is what he should be paid for doing.

It was Thomas Jefferson who made the statement:

When we direct from Washington when to sow and when to reap, we should soon want bread.

That is just where we are getting to because of the high cost of living. The people are hollering for bread. It is because of our trying to tell the farmer everything he should raise and what he should do that we take from the farmer his independence and his freedom.

I want to call your attention to the Treasury statement of November 30, where now for this year we are \$778,749,159.87 in the red. In 5 months of the year we are in the red almost as much as President Roosevelt said we would be at the end of the year. Gentlemen, you will be in the red over a billion and a half dollars before this year is finished, and I want to ask you, Where are you going to get the money?

WHERE ARE YOU GOING TO GET THE MONEY?

You men know that you promised to balance the Budget, and here you have got a farm bill where you are going to pay as high as \$7,500 to a farmer for not raising produce. I wish the amendment offered by the gentleman from Minnesota for \$5,000 had been adopted. Five thousand dollars would be enough for the average farmer for not raising produce. If you continue to increase prices to farmers, where they will receive a great amount of money for not raising produce, it is only going to lead to the utter destruction of our people and ultimately of our form of government.

God forbid that that day should come. Our Pennsylvania farmers do not want regimentation.

Let me call your attention to the fact that President Roosevelt in his Atlanta speech on October 21, 1932, made this statement:

We are certainly paying enough for the Department of Agriculture to get something more useful than we are now getting. I have already proposed its reorganization, and I am going to insist that we get more service for the farmers for less money.

If he had reorganized the Department of Agriculture, he would not have 125,000 men and many political leeches on the pay roll in that Department, and he would not have 60,000 automobiles in that Department running around over

the country telling the farmers what to do. The farmers know more what to do than the average employee of the Agriculture Department.

Mrs. JENCKES of Indiana. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mrs. JENCKES of Indiana. The gentleman spoke about the farmers. I farm 1,300 acres of land, and I have frequently paid the railroads more money to move my crops than I have gotten out of the crops. The railroads today are appearing before the Interstate Commerce Commission asking for increases in rates, when they already owe the Reconstruction Finance Corporation money. What are we going to do with the railroads?

Mr. RICH. If you would raise more on your farm so that the people of this country could buy cheap produce and pay you for raising more, we would be a whole lot better off in this country and the railroads would not have to ask increases. They need more freight to handle, not less, in order to exist.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to my distinguished colleague from Michigan.

Mr. CRAWFORD. We have in our family a chow dog, and you put food in front of him and say to him, "That costs money," he refuses to eat. When you say to him, "It is paid for," he gobbles it up. Is that what the gentleman is trying to get across to us?

Mr. RICH. Yes. I want the people of this country to receive all the produce they can possibly consume at a nominal figure, so that we can sustain life, and can have the people satisfied and contented and not going hungry, and if the farmers need more money after producing farm commodities, let us pay them for raising farm commodities, not for destroying them.

In that manner only can we do good to the farmer and to the Nation at large. The workers in the mill get increased wages, and then they cannot keep up with the increased raise in all commodities. I mentioned before, and I reiterate that we \$10,000-a-year Members of Congress are to blame for the ever-increasing prices of commodities when we pass the laws such as we have passed in the last 5 years; they have been tried, and most of them should be repealed and many of them amended and at once before it is too late. We are getting our Government top-heavy with expenses, and, remember, the farmer pays too much taxes, which is the heaviest burden of expenses. He pays tax on his land, tax on his gas, tax on his automobile, tax on his earnings, tax on every article he buys, and on each item the tax is getting higher and higher. When will it stop? Just as soon as Congress passes sane, sensible laws, not before. Over the entrance to the Union Station we find these words, and I quote:

The farm, best home of the family, main source of national wealth, foundation of civilized society, the national providence.

Let us keep that motto today as it was when it was written a few years ago.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: On page 9, line 13, after the word "of", strike out "\$2,000" and insert in lieu thereof "\$1,000."

The question was taken; and on a division (demanded by Mr. REES of Kansas) there were—ayes 57, noes 42.

So the amendment was agreed to.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: Page 9, in lines 15, 18, and 21, strike out the word "landowner" and insert in lieu thereof the word "landlord."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

The Clerk read as follows:

TENANT PROVISIONS

Sec. 4. Section 8 of the Soil Conservation and Domestic Allotment Act, as amended, is further amended by adding a new subsection as follows:

"(f) Any change in the relationship between the landowner and the tenants or sharecroppers, with respect to any farm, that would increase over the previous year the amount of payments or grants of other aid under subsection (b) that would otherwise be made to any landowner shall not operate to increase such payment or grant to such landowner. This limitation shall not apply if on investigation the local committee finds that the change is justified and approves such change in relationship."

Mr. FULMER. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. FULMER: Page 10, strike out quotation marks in line 19.

Page 10, after line 19, insert:

"(g) The whole or any part of a payment which may be made to a tenant or sharecropper under this section may be assigned by him, in writing, to his landlord as security for cash or advances, if the assignment is acknowledged by the tenant or sharecropper and the landlord before the county agent, and is filed with the county agent. This provision shall not authorize any suit against or impose any liability upon the Secretary or any disbursing agent if payment is made without regard to the existence of any such assignment."

Mr. FULMER. Mr. Chairman, I am mighty glad to see the Members of the House becoming interested in the little farmers and sharecroppers down in the cotton States. When we had up a previous bill for consideration in connection with the Bankhead Act I offered an amendment on the floor of the House providing that small farmers who produced 1, 2, 3, or 4 bales of cotton should be exempt from any penalties whatsoever. However, the Members saw fit to vote same down.

In all previous programs the fellow who was operating his farm on a diversified program and the average, little, helpless tenant renter, as well as the sharecroppers, were penalized, while many of the larger producers, and those who are responsible for the surplus of 1933 and 1937, received wonderful benefits amounting to, in some instances, as high as \$200,000. As previously stated, I have largely been responsible for the writing of the provisions in this bill applying to cotton, and I have endeavored to give a square deal to every farmer with advantages to the very small producer, who should have been receiving these advantages all along.

Before I speak on my pending amendment I want to give you some few figures to show you the amounts that certain farmers, and certain corporations who call themselves farmers, received as payments under the farm program. I am going to give you only those who received \$25,000 or more out of the farm program. There are large numbers who received from \$1,000 up to this \$25,000 limit.

Texas:

Arthur H. Baskin.....	\$26,668.86
George G. Chance.....	38,877.20
Chapman Ranch, Inc.....	47,604.60
J. R. Goss.....	30,769.80
J. S. Mooring.....	36,035.40
G. L. Murray & Sons.....	42,248.40
Texas prison system on State-owned lands cultivated by prisoners.....	57,924.23

Mississippi:

Oran L. Cox.....	26,622.00
Delta Farms Co.....	31,701.60
Delta Pine Land Co.....	114,840.00
Will Dockery.....	58,775.00
Wood C. Eastland.....	26,362.40
King & Anderson, Inc.....	47,320.86
May Bros.....	34,320.00
McKee Bros.....	40,890.38
Mississippi State Penitentiary State-owned land worked by prisoners.....	75,600.00
R. W. Owen & Son.....	25,762.00
Panther Burn Co.....	45,696.00
M. P. Sturdivant Plantation.....	29,822.54

New Mexico: Stahlman Farms.....

Arkansas:

Arkansas Penal Institution State-owned lands operated by prisoners.....	\$33,520.00
Banks & Danner Co.....	80,000.00
R. H. Bowden.....	25,918.20
Hugh M. Brinkley Co.....	26,160.00
Fairview Farms Co.....	26,216.06
E. M. Faver.....	27,417.60
Freem River Lumber Co.....	29,430.00
W. P. McGeorge.....	25,446.24
Penrod Gurden Investment Co.....	29,388.24
R. O. Pickens & Son.....	27,534.75
Pinchback Planting Co., Inc.....	31,000.00
J. W. Pugh.....	26,300.00
F. D. Rolfe.....	33,312.53
Tiller Mercantile Co.....	63,399.76
C. H. Triplett Co.....	26,824.37
Twist Bros.....	39,157.60
Lee Wilson Co.....	199,920.00
W. B. Yampert.....	38,151.08
Georgia: McGinley Land Co.....	38,249.05
Louisiana: T. B. Gilbert Co., Inc.....	37,200.00

I understand that the Delta Pine Land Co. is a British corporation, under the management of Mr. Oscar Johnson, who has been, and I understand still is, one of the head men in the Agricultural Adjustment Administration.

I am also told that in the Delta section of Mississippi—and this will apply to numerous other sections in the cotton-growing areas—that although they can on this rich land usually produce a bale of cotton or more per acre, they have been permitted to plant as much as 80 to 90 percent of their tilled or cultivated acreage in cotton, receiving full benefits thereon.

I felt that this information which I have been giving would be of interest to many Members of Congress, and especially to my people in South Carolina, where we do not have that type of farming, and where thousands of our little farmers have been penalized and many of them forced to ask permission to go on relief rolls under the Relief Administration.

Now, in regard to the amendment just offered, in many sections of the South we have just lots of colored tenants and sharecroppers, as well as numerous small white tenants and sharecroppers. The average landlord is interested in his tenants and sharecroppers, and the one reason for the poverty of the tenants and sharecroppers is because of the unfair, fixed price paid by farmers for that which they have to purchase, because, in many instances, as is the case this year, with an abundant crop, the price being below the actual cost of production. We find that the landlord is doing the best he can in his treatment toward his tenants under such circumstances; in the meantime thousands of landowners are actually losing their farms and going into tenant and sharecrop farming. There are thousands of tenants and sharecrop farmers, along with landlords, because of the low price of cotton and because, in a great many instances, of the serious damage done in various localities by the boll weevil, this year, who are unable to pay even their obligations for 1937, and are now facing the winter without any money whatsoever to enable them to buy, for instance, shoes and clothing and other things for their families, which they actually need.

Under this amendment the landlord, not a merchant or speculator, may advance to his tenants or sharecroppers, additional money or supplies, as stated, which they need so badly, provided the tenant or sharecropper is given the right to assign in writing in the presence of the county agent, his claim for 1937 benefits, including the 3 cents per pound subsidy, which will be paid in 1938 to his landlord.

We hear quite a lot about "this may give the landlord an opportunity to gyp his tenants or sharecroppers." May I say to you that if any landlord, and we have some of them, should take undue advantage of his tenants or sharecroppers that they have plenty of privileges without resorting to an unfair treatment in the transferring of these claims, which, as stated, is to be done in the presence of the county agent and in the presence of the landlord.

I can truthfully state that there is not a cotton farmer in my district, and I think I have a district similar to the aver-

age cotton-producing district in the South, who is not very anxious to do everything possible to keep his worthy tenants, and that they will give to them the full benefit for these transfers in cash or advances or the payment of any difference that may be coming to the tenants or sharecroppers over and above the advances made when the check has been received in 1938.

This is a very meritorious amendment which will be helpful to that great class of people who need real assistance now, and I am hoping that the amendment will be adopted.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. MAHON of Texas. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MAHON of Texas: Page 10, strike out amendment offered by Mr. FULMER and all of section 4 and insert a new section, as follows:

"Section 8 of the Soil Conservation and Domestic Allotment Act, as amended, is further amended by adding a new subsection, as follows:

"The Secretary shall ascertain the maximum number of tenants or sharecroppers utilized during any year of the preceding 5-year period on any farm with respect to which any payment or grant under subsection (b) is to be made, and any reduction in the number of tenants or sharecroppers below the maximum used during any one of the preceding 5 years shall not operate to increase such payments or grants to such landowner. This limitation shall not apply if, on investigation, the local committee finds that such change or reduction is justified and approves such change or reduction, and provided such change or reduction is also approved by the Secretary."

Mr. MAHON of Texas. Mr. Chairman, I suspect I have about as many big farmers in my district as anyone here. For instance, I know of several men working in excess of 3,000 or 4,000 acres in cotton, and that ought to qualify them as big farmers. I feel, however, that we should take into consideration the small fellow, because he is the man who really needs the long arm of the Government to help him, if anybody does. The farmer who is speculating in tremendous acreage and production and is using hired labor methods should not rely upon the Government to finance him.

I want to compliment the average large landowners in west Texas. They are a patriotic and progressive group of men. They have undergone hardship and privation and have helped develop the country. The country owes them a debt of gratitude.

Not long ago I had the pleasure of going over the holdings of a west Texan who has more than 10,000 acres in cultivation. He has broken his farm up into about 65 units of about 160 acres each. Each unit is well improved and is occupied by a reasonably happy and prosperous family. This large landowner friend of mine is doing a great service to Texas and humanity in providing homes for approximately 325 people. There are several examples similar to this which I would like to tell you about. My amendment would not affect these people at all. In fact, it would encourage them.

My amendment would go back through the Government crop program from 1933 up to 1937 and it would provide that if a landlord has reduced the number of tenants on his farm during the operation of this Government program, then that reduction in the number of tenants shall not operate to give him additional benefits on his farm. It is a pretty drastic provision and would to some extent hurt many of the large operators in west Texas, but I know of too many instances where large operators have discharged their tenants, bought tractors, and are working from 500 to several thousand acres of cotton with hired labor which is utilized only part of the year. The tenants have been unable to rent other farms and have been forced on the relief rolls. The Government should not pay a man benefit payments for putting his neighbors on the relief rolls.

Then there is the case where a man working a half section of land has decided, "Well, now, if I rent all of the

land adjoining me and get the Government payments, buy a couple of tractors, and get all of the soil-conservation payments, I can make more money; and if I do not make anything on that land, the Government soil-conservation check will be sufficient to reimburse me for what I have lost." There is not much he can lose, and there may be a great deal to gain.

I have a letter from a very fine friend of mine, which I received yesterday. He says:

It seems to me that the way to help the tenant farmer and the man that is down is to pass some farm bill based absolutely on the family-type farm.

Which, incidentally, in my district would probably be in excess of 160 acres. Quoting further:

I want to cite you some instances of what is taking place in your district, and there are many thousands all over the South.

In _____ County two men leased 6,000 acres for wheat and had it sowed in wheat, and they figure if they do not make a grain of wheat the Government will pay a sufficient sum that they will have a little money left out of the Government money and they will not be out anything. There is not a single family living on these 6,000 acres.

He states further:

We have a man in this county with 4,000 acres of cotton, and he has one overseer and hires transient labor when he needs it and works the labor a week or 10 days and carries the labor back to town for the relief roll to take care of.

The industrialist East can't hold a light as economist royalists compared to us southern farmers.

This friend of mine lives and makes his living in town, but he is sincerely interested in the welfare of the country. Note the following from his letter:

I have 1,200 acres of land and have two tenants, and I should have at least four if I am to participate in the Government program.

Mr. Chairman, my amendment would just simply provide that these people who have been driving the tenants off of their farms in order to get Government subsidy checks will not be able to receive any more money by virtue of that operation.

Mr. TARVER. Will the gentleman yield?

Mr. MAHON of Texas. I yield to the gentleman from Georgia.

Mr. TARVER. I am in hearty accord with the gentleman's purpose; but does he not think the language which is included in the section, and which he retains in substance in his substitute, providing that the limitation shall not apply in the discretion of the local committee, practically destroys the effect of the provision, since it leaves to the local committee, without any rules to govern it, absolute discretion as to whether it will permit these changes or not?

Mr. MAHON of Texas. I thank my able friend, but I do not want to discuss that important point at the moment.

In 1933 some landlords began to turn these tenants off. They did it in 1934, in 1935, and in 1936. Tenants have been displaced in great numbers during the past few years. Of course, in many cases the landlord moved back to his farm from town and displaced his tenant. This and many other cases of tenant displacements could not justly be criticized. The Committee on Agriculture has provided in the bill as now written that if a landlord reduces his number of tenants over the preceding year he shall be penalized in his payments. In other words, his Government payments will not be increased; but this is a case of locking the stable after the horse has been stolen for perhaps 2 or 3 years. Therefore I appeal to the Members of the Committee of the Whole to give consideration to this amendment.

[Here the gavel fell.]

Mr. MAHON of Texas. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SOUTH. Mr. Chairman, will the gentleman yield?

Mr. MAHON of Texas. I yield to the gentleman from Texas.

Mr. SOUTH. Would it not be better to provide that a landowner would not receive the Government payment unless he restored the number of tenants he had heretofore had on the farm?

Mr. MAHON of Texas. I think that is a good suggestion. It seems to me if we profess to want to take care of the small farmer, here is a good chance for us to do so. I know a county in west Texas where the number of farmers in the last 5 years has decreased 500. This is comparatively an old-settled county. Assuming 5 people to the family, 2,500 people have been displaced in this one county by the operation of the Government program. Of course, other factors have contributed to this. The previous program has assured a man of having enough money to work the land by hired labor, and if he has not produced a crop the Government has reimbursed him for his loss through A. A. A. payments. The Government under the present program is just assuring a man that he will not be disastrously affected by reason of his speculative operations. Fortunately, only a limited number has seen fit to violate the spirit of the farm program and turn out the tenants. I yield to the committee insofar as draftsmanship and the formulation of this bill are concerned, but I yield to no one in my desire to help humanity on the farms of the East, the West, the North, and the South.

Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. MAHON of Texas. I yield to the gentleman from Minnesota.

Mr. ANDRESEN of Minnesota. Does the gentleman mean to tell the members of the Committee that the practical operation of this New Deal program has driven 2,500 people out of one of his counties?

Mr. MAHON of Texas. I mean to say it has operated in that direction. Of course, if we had had no Government program and prices had not been raised to any extent, perhaps all the remaining 12,000 people on those farms would have been cast out. I do not condemn the program because we have had one, but I say we ought to perfect the program. This is the reason I have offered my amendment. [Applause.]

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. TARVER. The gentleman's amendment proposes to strike out the entire section and substitute other language. I have an amendment to amend the section. Should not my amendment be considered as a perfecting amendment before the amendment to strike out the section is considered?

The CHAIRMAN. Perfecting amendments take precedence over amendments to strike out and substitute.

Mr. TARVER. I desire to offer my amendment at this time.

Mr. JONES. Mr. Chairman, may I have recognition on the pending amendment, this amendment not to be voted on until the gentleman from Georgia has an opportunity to offer his amendment?

The CHAIRMAN. The gentleman from Texas is recognized on the pending amendment.

Mr. JONES. Mr. Chairman, I appreciate the fine interest of my very intelligent friend the gentleman from Texas, and I also appreciate the purposes he has in mind. I may say the committee had prepared a draft very similar to the one the gentleman proposes, though it was not worded exactly like it, but we ran into difficulties. For instance, the gentleman's amendment would forbid a landlord from reducing the number of his tenants. It would not prevent the landlord from taking away from such tenants everything but 1 acre. Therefore, this is a loophole in the amendment. We drafted this provision over and over again.

Mr. MAHON of Texas. Mr. Chairman, will the gentleman yield?

Mr. JONES. Yes.

Mr. MAHON of Texas. My amendment would not prevent a man from reducing the number of tenants, because the amendment states that the limitation shall not apply if on investigation the committee and the Secretary find it is feasible that the number be reduced.

Mr. JONES. I know, but I am not talking about the limitation. I agree to that provision, and there are similar provisions in this measure. I am talking about this proposition, and I hope the gentleman will think about this. The gentleman limits his amendment only to the number of tenants. Suppose a man has four tenants who are operating 50 acres apiece. The landlord says, "I am going to get around that provision. I will reduce these tenants to 5 acres apiece and operate the other 180 acres myself." He would still have the same number of tenants. The committee, in order to meet the situation, wrote a relationship into the provision so that if the landlord either reduces the number of tenants, according to the committee draft, or reduces the number of acres, such action shall not operate to increase the payments. I am in sympathy with the purpose of the gentleman from Texas [Mr. MAHON], but, with all due deference to the gentleman, I believe the committee provision would cover both the reduction in the number of tenants and the reduction in the number of acres, although keeping the same number of tenants, and thus avoid the subterfuge which some of the landlords might adopt.

Mr. MAHON of Texas. But the bill as written would go back only 1 year.

Mr. JONES. Yes.

Mr. MAHON of Texas. It would not apply to what happened in 1936.

Mr. JONES. We discussed that situation. I wish there were some way to go back. The matter was given consideration, and it has some merit. The difficulty with the situation is that the landlords may have changed and had two or three different numbers of tenants. There might be an entire change of relationship. It might be very difficult to check the number. We wondered if we could make it retroactive. We wanted to take a 3-year period as an average, and this proposition is worthy of consideration if it could be done practicably. The gentleman has a good point there, and I should like to do it if the gentleman could figure out a practicable way to make it the average of the 3 previous years.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield for a question?

Mr. JONES. I yield.

Mr. McFARLANE. It seems to me we could make it a 3-year period. The gentleman is familiar with my district, having represented it for years. In going over my district I find there are large numbers of tenant farmers who have been driven off the farms by these large landowners; and if we could provide for a period of at least 3 years, this would help put the tenant farmers now on relief rolls back on the land.

Mr. JONES. You mean to make it the average of the tenants over a 3-year period and make it applicable to future payments?

Mr. McFARLANE. Yes.

Mr. JONES. If that can be done as a practicable matter, I would like to have the suggestion of the members of the committee. We went over that, and the Department's administrative officers and the drafting service feared difficulty in administering it. I am not sure but what the suggestions of my two friends could be met in this way.

Mr. McFARLANE. Instead of the previous year, make it a 3-year period.

Mr. JONES. And take the average for the previous 3-year period.

Mr. McFARLANE. That is it.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. McCORMACK. May I suggest that apparently there is something here that the gentleman feels is worthy of con-

sideration and there is a little difficulty about getting together on phraseology. I do not know anything about it, but I am impressed by the argument of the gentleman from Texas who offered the amendment, as well as by the admissions made by our distinguished chairman of the Committee on Agriculture, and my thought is, why not ask unanimous consent that this matter be passed over until you can further consider the proper phraseology?

Mr. JONES. That is probably a good suggestion. I think the phraseology of the committee draft is preferable, except for the one suggestion which my colleague makes and with which my other colleague here concurs. I ask unanimous consent that this particular provision be passed over with the understanding we will come back to it for the purpose of making any corrections with respect to this particular matter, and for no other purpose.

Mr. McFARLANE. Mr. Chairman, reserving the right to object, may I suggest that since the gentleman from Georgia [Mr. TARVER] has an amendment on the same subject, if it is agreeable we just insert the 3-year period and then other amendments may be offered to the section and we can go ahead and iron out any differences later.

Mr. JONES. I rather think we ought not to insert a provision without careful drafting. We could go ahead with the gentleman's amendment, and I am simply suggesting that this particular matter be considered as pending and as one that may be returned to for this purpose and for no other purpose.

The CHAIRMAN (Mr. COOPER in the chair). The gentleman from Texas asks unanimous consent that the pending amendment offered by the gentleman from Texas [Mr. MAHON] be passed over for the present and allowed to remain pending and be returned to for action later.

Mr. JONES. The gentleman's amendment in connection with the change just suggested.

The CHAIRMAN. That would be included in the request as stated by the Chair.

The gentleman from Texas asks unanimous consent that the pending amendment offered by the gentleman from Texas [Mr. MAHON] be passed over for the present and that it may be allowed to remain pending for action later. Is there objection?

There was no objection.

Mr. TARVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TARVER: On page 10, line 17, after the word "owner", strike out the remainder of line 17, through lines 18 and 19, through the word "relationship."

Mr. TARVER. Mr. Chairman, I want to compliment the Committee on Agriculture and its able chairman for the attention it has given this subject matter, trying to afford some protection to tenants and sharecroppers against what we all know has been disclosed as one of the principal evils of previous farm legislation, a matter which has been ably discussed by my colleague from Texas [Mr. MAHON] in connection with his amendment.

Boiled down, however, the provision is simply this: Where landlords take advantage of an opportunity to remove tenants and sharecroppers and thereby increase their own benefits, that practice shall not be permitted. So far I am in accord with what the committee has done, but this provision as to the limitation which I propose by this amendment to strike out nullifies, perhaps not wholly but at least partially, the good provision which goes before it, in that it provides that the limitation shall not apply if, on investigation, the local committee finds that the change is justified and approves such change in relationship.

In other words, if the local committee's approval can be obtained then the landlord can run off as many of his tenants as he wants to and increase his benefits all that he possibly can under the law, and there is no redress; and there is no rule laid down to govern the local committee in determining whether the change ought to be approved. They can approve it arbitrarily, for some reason or for no reason. Local

committees, as we all know, are composed largely, if not altogether, of landowners.

Tenants rarely, if ever, have had any representation, although it is hoped they may have hereafter. Now, it is proposed by this language which my amendment strikes that the protection which is sought to be given to the tenant against being run off for the benefit of the landowner, and in order to increase his payments, may be set aside for no reason in the world by the local committee if the local committee thinks it is proper to do it.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I will be glad to yield.

Mr. PATMAN. If the gentleman will suggest inserting that the limitation shall also be subject to the approval of the Secretary, he can coordinate these limitations and not permit the local committee to discriminate.

Mr. TARVER. If my colleague will pardon me, my position—and I believe it is a fair position—is simply this: That a landlord, under no circumstances, ought to be permitted to run off his tenants and thereby increase his payments. There are no circumstances which occur to my mind which would justify his being permitted to follow that procedure. But if there are any circumstances that could be conceived of which would justify it, the bill itself should provide what those circumstances must be; and the matter ought not be left to the discretion either of the Secretary of Agriculture or the local committee.

I would like to have my colleague from Texas [Mr. JONES] tell me, if he can, what circumstance would justify a landowner in running off his tenants and thereby increasing his benefits? What hypothetical case can be imagined which would justify that procedure? I yield to the chairman of the committee to answer that.

Mr. JONES. I intend to make a statement when the gentleman has finished.

Mr. TARVER. I yield to the gentleman now to answer that question.

Mr. JONES. There are several. For instance, a man who owns a piece of land has just one tenant, and he wants to operate his own land; or a man who has a grown son who wants to go farming. There might be instances where there would be no available tenant. There are sections of the country where there is none. There may be circumstances where good farming practice would cause them to want to increase or decrease. A tenant might want to decrease the amount of land that he has. Our theory was that we wanted to get as much of the power as possible out of the hands of the Secretary and into the hands of the local committee selected by the farmers, whom we believe could be trusted to handle these matters.

Mr. TARVER. Does not the gentleman think it would be possible to work out some formula of language by which the committee might be governed in undertaking to exercise this broad discretion you are attempting to place in the committee?

The CHAIRMAN. The time of the gentleman from Georgia [Mr. TARVER] has expired.

Mr. TARVER. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

Mr. TARVER. Now, I want to urge you earnestly to give support to this amendment. As a matter of fact, the committee is to further consider this section. If the House should indicate by its vote on this amendment that they did not think that unlimited discretion should be vested in these county committees, to permit procedure of this sort, the committee can still, in its further consideration of the matter, work out a formula by which the discretion of the county committee shall be guided. All county committees are human beings. Most of them are fair. Some of them are not fair. The administration of previous laws has demonstrated that fact. If there are no rules by which those gentlemen serving on committees shall be guided in determining when landlords may get rid of their tenants and

thereby increase their own benefits, there is every reason to believe that the power vested in them might be very greatly abused in many instances. Of course, not in all instances, but I submit that the matter of governing their discretion by some express provisions of the act should receive the consideration of the Committee on Agriculture, and that will be the only result of the adoption of my amendment. Therefore, it is my hope that the Committee of the Whole may see proper to strike out this particular provision as vesting too broad discretion in the committees, and thereby intimate to the Committee on Agriculture that some substitute provision, which will more strictly regulate the matter and afford protection to the tenant and sharecropper, may be worked out.

Mr. SOUTH. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Mr. SOUTH. Would it not be better to let the landlord participate in the program upon restoration in the number of tenants heretofore had?

Mr. TARVER. That is a matter that should be considered by the Committee on Agriculture. What I am trying to get the committee to go on record as favoring at this time is the elimination of the provision vesting uncontrolled discretion in the county committees, to permit the displacement of tenants for any reason or for no reason at all. I think their discretion ought to be controlled by reasonable limitations. That is the effect of the adoption of my amendment.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. JONES. Mr. Chairman, again I find myself in accord with the general purposes which the gentleman from Georgia [Mr. TARVER] seeks, but I fear that his amendment would strait jacket this program too much. We had a discussion as to whether we should include this, and thought once we could use the yardstick which the gentleman suggests, but we found that we could not develop a yardstick that would cover all cases. About the time we thought we had reached one, someone would suggest another complication. For instance, a man whose son took over his farm or who wants to take over his farm, or a man who has been sick and unable to work his farm for 2 or 3 years now wants to run his own farm, which is a single farm; then there was the case of the man who is unable to get a satisfactory tenant and the man who has changed the character of his farming. There were dozens of complications. After going over it thoroughly we left the bill as it is. This is a pretty drastic provision as it stands, for it affects any change in the relationship, any increase or decrease, or if they make the tenant endorse his check over, this language is broad enough to cover it.

We felt that we could trust this to the local committee.

We adopted a suggestion by the gentleman from Georgia on yesterday to give the tenants and sharecroppers representation on this particular committee; and I feel that with this representation certainly it would be better to have that discretion rather than to have a less drastic provision. I wanted an ironclad provision here, and it is about ironclad.

Mr. SOUTH. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. SOUTH. Is it not a fact that much of the damage has already been done and that thousands of farmers have already moved into towns, and would not the bill amended as suggested by my colleague the gentleman from Texas [Mr. MAHON] be sufficiently restrictive?

Mr. JONES. I think without changing this language we ought to provide in addition "or if he has decreased the number of his tenants below the average of the previous 3 years," so that we will keep what we have. I think we can agree on the language.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. TARVER. I appreciate the great amount of study the gentleman and his committee have given the question already, but in view of the fact that his committee is going to con-

sider the amendment offered by the gentleman from Texas [Mr. MAHON], will they not consider my amendment also? Mr. Chairman, I shall ask unanimous consent that consideration of my amendment may also go over until the Mahon amendment is considered. In the meantime I understand the committee is to give consideration to the whole subject.

Mr. JONES. We can take that up, too.

Mr. KLEBERG. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. KLEBERG. I would suggest, Mr. Chairman, that this would leave the landlord or the landowner in the position where he could not move a tenant or tenants if they were undesirable; and there are such.

Mr. JONES. That would be the trouble, as I see it, with the amendment suggested by the gentleman from Georgia. You might have a tenant that is utterly worthless, and there are such, just as there are landowners who are worthless. I have found in all the investigations I have made that in the main the county committee of local resident farmers who are selected by the farmers themselves is the best place to lodge these powers. I think he has accomplished his purpose by getting representation on that committee, and I do not think there would be any danger of a situation arising that could not be corrected by the local committee.

Mr. TARVER. Mr. Chairman, I ask unanimous consent that the further consideration of my amendment may be deferred until the committee has considered the Mahon amendment and the Mahon amendment comes before the Committee of the Whole for further consideration.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that the pending amendment offered by him may be passed over for the present and be considered and acted upon after the disposition of the amendment offered by the gentleman from Texas [Mr. MAHON].

Is there objection?

There was no objection.

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto with the exception of debate that may be caused when we return to these two amendments do close in 13 minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that all debate on this section and all amendments thereto except such as may be caused by the amendment offered by the gentleman from Texas [Mr. MAHON], and the amendment offered by the gentleman from Georgia [Mr. TARVER], close in 13 minutes.

Is there objection?

There was no objection.

Mr. KLEBERG. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this occasion to go a little further into the interrogation of the chairman of the committee, and I want to ask him a question that I hope will remain in the minds of the members of this committee in the consideration of this particular piece of legislation. I have come to have serious doubts in the last short while with reference to this bill, as to whether we are drafting a bill for the benefit of agriculture or whether we are finally going to have a bill which is solely for the benefit of tenant farmers and sharecroppers.

I ask the chairman whether or not the legislation under consideration is going to allow those who by thrift, energy, expenditure of time and labor, have improved their condition in life still to be able to remain on the basis of being considered respected citizens or are they to be treated as outlaws?

I am wondering whether we are not going too far afield in our consideration of this piece of legislation in the offering of amendments to the end that we shall finally destroy any possible benefit to our country if the bill is written on the floor as the present tendency seems to be?

We have here a bad situation in connection with the consideration of a measure fraught with innumerable difficulties. The past history of farm legislation in the immediate

past has demonstrated that it is a difficult proposition at best to encompass within the Constitution.

When you come down to the consideration of the first portion of this bill, the Soil Conservation Act, we find Members in this House on both sides of the aisle and we find representatives of the Department of Agriculture, insisting that the soil-conservation part of the bill now under consideration is not an honest, bona fide effort to conserve the natural resources of our country but is, rather, a determined effort to restrict the production of certain crops as of primary importance. The bill in the soil-conservation section had no penalty features and no compulsory features connected with it. There were no benefits to be derived from the Treasury of the United States paid to any farmer for any other purpose than a purpose which tended primarily to conserve the soil for future generations.

We now find ourselves considering an amendment here on its effect, if you please, on tenants of all kinds, good and bad, rather than on the broad principle of attaining the ultimate object of bringing agriculture out of the doldrums to a point where this Nation can depend on it for continued support. It is my candid belief that what is to the best interests of all those engaged in agriculture is to the best interests of all the people however they may be engaged. I plead with you, my friends, in going forward with the consideration of this bill, that you not lose sight of the original objective and not lose sight of the fundamental principles involved in the legislation under consideration. We either will have a farm bill that will be worth while, if we consider it deeply and seriously, or we will have a piece of legislation which will destroy agriculture; it will destroy our form of government and it will bring about a worse depression than this or any other country has heretofore experienced.

The ability we have to meet these things is being tested to the utmost, and I hope that the friends of agriculture, the friends of our present form of government, and men who believe in what the Stars and Stripes stand for will divest themselves of this, that, and the other demagogic appeal which may occur to them in a moment of debate and get down, if possible, to a consideration of the real questions involved. I do not stand here to lecture you, but I do call attention to the trend the debate has taken and to the dangers involved in taking an amendment such as the one now pending before the House and considering it seriously.

[Here the gavel fell.]

Mr. BERNARD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, we in this House are doing our best to work out a program which will assure to American farmers a fair return for their crops. Even before it is finished, our work is threatened with sabotage. Before we have finished legislating for the farmers, preparations are being made to rob them of any benefits we may grant. I refer to the demand for increased freight rates now being made by the railroads before the Interstate Commerce Commission.

On October 19 the I. C. C. granted the railroads of the country rate increases of approximately \$50,000,000. The new rates became effective November 15 on interstate traffic. On November 5, 10 days before the new rates went into effect, the railroads nationally petitioned the I. C. C. for still further increases.

At the hearings now in progress before the I. C. C. representatives of the railroads are telling a hard-luck story. They claim they are broke. But the financial pages of yesterday's New York Times tell a different story. Total net income of the country's class 1 roads for the first 9 months of this year already is running 90 percent higher than 1936. The roads have collected over \$78,000,000 up to September 30, as compared with over forty-three million last year.

Of course, this is only net income and not all profit. The railroad tycoons are wailing that they cannot make a profit. You might wonder if this is possibly due to bad management on their part. But they say, "No; certainly not!" They say it is high wages, unemployment insurance, and retirement benefits which are ruining the railroads. They say that the

railroad workers are milking the railroad industry dry; that the greed of the railroad brotherhoods is to blame for the poverty of the Vanderbilts, Goulds, Hills, and other heirs to railroad fortunes. I do not know how bad off the Vanderbilts and the Goulds are, but I know that the railroad workers in my district are not living in riotous luxury on their ill-gotten gains.

Spokesmen for the American Association of Railroads had something else to say to the I. C. C. They made a promise which was really a thinly veiled threat. The railroads said, in effect, that if the I. C. C. gives them what they want they might consider spending around \$900,000,000 for equipment and repairs. Give us another shakedown payment and maybe we will help pull the country out of the slump is their line. Turn us down and we will lay off more workers, draw in our horns, and let the roads fall into a worse state of disrepair. In fact, we will do our part to make the slump a real depression.

The railroad industry has been on a buying strike for many years. It has used these promises to modernize as a means of getting rate increases before. But it has not made good on its promises. Now it is taking advantage of the general sit-down of all capital to hold up the administration for its own share of the swag.

We are debating a farm bill, and perhaps you are wondering what all this has got to do with the farmers. But any farmer can see the point. Higher freight rates on agricultural products will rob the farmers of any benefit they might otherwise get from this bill we are discussing and which I hope we will pass with proper amendments. The railroads are trying to make the farmers and the general public pay for long-overdue improvements in railroad equipment. But there is no guaranty that, even if they get a raise, they will come through on their promise of expanding buying. I protest this move to make American farmers support the railroad industry.

Compared with other classes of traffic, the rates on farm products are already far too high. Any further increase in freight rates on farm products, such as grain, flaxseed, hay, and other stock foods, on all livestock, and dairy products would absolutely nullify whatever benefits this agricultural bill might otherwise bring to the farmers. If the I. C. C. grants the petition of the railroads without exempting farm products, we shall simply be putting money into the farmers' pockets in order that the railroads may take it out.

But the I. C. C. must be prevented from granting any further rate increases. The problem of farm aid is only one aspect of the general problem of recovery for all our citizens. The railroads are joining in the concerted attack on recovery now being made by every section of big business. We must recognize and resist this attack. The way to help the farmers is to help city workers and small-business men as well. The way to help the farmers is to break the sit-down strike of capital; to insist that the railroads and all other industries put their money to work turning the wheels of industry. The demand that farmers and the public must pay for railroad improvements is a hold-up worthy of Jesse James. The threat of mass lay-offs and curtailed spending unless the farmers are willing to ransom the railroads is a disgrace to American decency. The help we give the farmers must be protected from such thievery on the part of the railroad magnates. [Applause.]

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Page 10, lines 11 and 15, strike out where it occurs, the word "landowner" and insert in lieu thereof "landlord."

Mr. WHITTINGTON. Mr. Chairman, this amendment is really a perfecting amendment and is in line with the amendment to the previous section as agreed to by the committee.

A landowner may not be a landlord. The cash tenant occupies to his sharecropper and his tenant the relation of landlord. Under this bill you exclude the cash tenant from any benefits. In my judgment, my amendment should be

adopted in order to protect the person about whom Members have been talking in all of the remarks both on this section and the other sections of the bill, to wit, the tenant, and probably the largest group of tenants is the cash tenants.

I understand the amendment is satisfactory to the committee. I have spoken with the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Texas.

Mr. JONES. I am not familiar with the operations of those cash tenants. Is there any abuse among them in connection with the evil intended to be met by this section? I note there is not the same reason here there was in the previous subsection.

Mr. WHITTINGTON. I understand there is an abuse. The landowner does not participate in any benefits or subsidy otherwise, where there is a cash tenant. The cash tenant pays so much rental for the use of the land and the landlord has no concern with the parity payments or with anything which is produced on the land. In this case there would be a discrimination. The landowner could not get the payments and the cash tenant could not get the payments, and there would be discrimination against the cash tenants.

Mr. JONES. This is a limitation itself, so that would not apply at all.

Mr. WHITTINGTON. Yes; all of the discussion under the section has been with reference to the landlord and the tenant. The cash tenant may be the landlord, and that cash tenant would be excepted from the benefits you are undertaking to give all tenants.

Mr. JONES. I have never heard of that sort of a landlord abusing the privileges of his tenants.

Mr. WHITTINGTON. I may say that some of the gentlemen have referred to people who have rented 6,000 acres of land. They are cash tenants. They are the people you are trying to reach.

Mr. JONES. That is what I was trying to get at. If there is any question about the abuses there, I do not have any objection to the amendment.

Mr. WHITTINGTON. Unquestionably there is discrimination. My amendment should be adopted to enable the cash tenant to receive benefits, otherwise no benefits would be paid to him.

I extend my remarks to say that I oppose discrimination against cash tenants, just as I oppose discrimination against landowners. The cash tenant is in better situation than the sharecropper.

Amendments have been adopted that will cripple, if not destroy, the program, in my humble judgment. They have discriminated against large owners and large farmers in favor of small farmers and small owners. One yardstick should apply to all. The large grower gets the same price in the market that the small grower gets; he gets the same rent for his land in the usual course that the small owner gets. Under the program, he is to rent to the Government for soil conservation. In the effort to help the small grower, amendments have been adopted that would pay the small landowner one rate of benefit and the large landowner for the same type of land, a much smaller benefit. I doubt the validity of such discrimination. It strikes me that the program will be crippled. The large landowner will not cooperate.

Those who have spoken respecting the benefits have referred only to cotton production. The section under consideration applies to the growers of all commodities, including cotton, wheat, rice, tobacco, and field corn. Payments are made to sugar growers under the sugar legislation. Reference has been made to the amounts paid to large cotton growers, and particularly to the Delta & Pine Land Co. in Mississippi. Let me emphasize that all of the large payments have not been made to cotton growers nor in the

South. The distinguished junior Senator from Oklahoma, in the CONGRESSIONAL RECORD, in the course of his address on the agricultural bill on December 2, 1937, enumerated certain payments made under the Tobacco Act and under the Sugar Act. One tobacco concern received \$40,000 in Florida and \$20,000 in Connecticut. Sugar growers received much larger payments than cotton growers. A California hog producer received \$22,000, and a Massachusetts hog producer received \$19,000. A New Jersey hog grower received \$49,000. These figures can be found in the CONGRESSIONAL RECORD in connection with Senator LEE's address on December 2, 1937, pages 614, 615, and 616.

I represent a district in which there are large farmers and small farmers. All should be treated alike. In the district that I represent the larger plantations are generally operated by sharecroppers; they share in the benefits. The landowner and the sharecropper have reduced their production. On the large properties, both the landlord and sharecropper would have profited by not cooperating with the program. They would have benefited by the reduction made by the small farmers.

The tenor of the amendments adopted is to discriminate against the large owners. Ownership is for the States. In some States, the corporate holding of land is prohibited, but corporations and individuals must receive the same treatment, and individuals, rich and poor, must be accorded the same consideration. Those who have accumulated large holdings will not permit them to be confiscated without due compensation, and any law that deprives them of their property will fail and fail.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I can see no objection to the amendment. We want to catch all abuses. This makes it fit the other provision, anyway, and I have no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

The amendment was agreed to.

The Clerk read as follows:

APPORTIONMENT OF FUNDS

SEC. 5. Section 15 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by inserting at the end thereof the following new paragraph:

"Prior to the beginning of each calendar year and prior to the announcement of the program under sections 8 to 14, inclusive, of this act for such calendar year, the Secretary shall apportion the funds (minus his estimate of administrative costs) which he estimates will be available for carrying out such sections during such calendar year among the various major administrative areas established under such sections. The apportionment shall be made so that the amount available in each of the administrative areas shall bear the same proportion to such estimated amount as (1) the acreage during a representative period of the major soil-depleting and major export crops, (2) the value during a representative period of the major soil-depleting and major export crops, (3) the acreage during a representative period of the land, not included in (1), devoted to agricultural production (including dairying and livestock areas), and (4) productivity during a representative period of the land, not included in (1), devoted to agricultural production (including dairying), in such area bears to the acreages and values set forth above of all the administrative areas. The amount expended during the calendar year for which the apportionment is made for payments or grants of other aid under such sections in any administrative area shall not exceed the amount so apportioned to the area."

Mr. LUCAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LUCAS: Page 10, line 24, strike out lines 24 and 25 on page 10 and lines 1 to 22, inclusive, on page 11, and insert in lieu thereof "The funds available for payments (after allowing for (estimated) administrative expenses, payments with respect to naval stores, and payments in Hawaii, Puerto Rico, and Alaska) shall be allocated among the commodities produced in continental United States with respect to which payments or grants are to be computed. In allocating funds among the commodities the Secretary shall take into consideration and give equal weight to (1) the average acreages of the various commodities for the 10 years immediately preceding the year with respect to which the payment is made, including an acreage of pasture which bears the same proportion to the acreage of all crops that the farm

value of livestock and livestock products produced from pasture bears to the farm value of all crops; (2) the value at parity prices of the production from the allotted acreages of the various commodities for the year with respect to which the payment is made, including with respect to pasture the value at parity prices of that portion of livestock and livestock products produced from pasture; (3) the average acreage during the preceding 10 years in excess of the allotted acreage for the year with respect to which the payment is made; and (4) the value based on average prices for the preceding 10 years of the production of the excess acreage determined under item (3). The rate of payment used in making payments to the producers of each commodity shall be such that the estimated payments with respect to such commodity shall equal the amount of funds allocated to such commodity as herein provided. For the purpose of allocating funds and computing payments or grants the Secretary is authorized to consider as a commodity a group of commodities or a regional or market classification of a commodity."

Mr. WHITTINGTON. Mr. Chairman, will the gentleman from Illinois yield before he proceeds?

Mr. LUCAS. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. As I understand, this is an amendment to what is probably one of the most important parts of this bill, to wit, the allocation of funds among the major commodities.

Mr. LUCAS. The gentleman is correct.

Mr. WHITTINGTON. The gentleman offers the amendment on his own responsibility. Is it true that the gentleman proposes to strike out the entire section and substitute an entirely new rule, a new yardstick?

Mr. LUCAS. That is true; but if the gentleman will just wait for a moment I will explain to him why I am doing it this way.

Mr. WHITTINGTON. I shall be delighted to wait. I want to find out if I understand the situation correctly.

Mr. DOXEY. If the gentleman will yield, let it be made plain that this is not a committee amendment. We never discussed this particular amendment in committee.

Mr. LUCAS. The gentleman is correct.

Mr. DOXEY. It is all new to me.

Mr. WHITTINGTON. The purpose I had was to find out if this entirely new program was offered by the committee, or whether the gentleman was offering it on his own responsibility.

Mr. LUCAS. This is not offered by the committee.

Mr. Chairman, one of the disturbing factors in the corn belt of Illinois which has been detrimental to cooperation on the part of the corn producer has been the fact that up to now the Secretary of Agriculture has had complete discretion in the allocation of all funds appropriated to carry out the Soil Conservation and the Domestic Allotment Acts. Some farmers in my section have had the temerity to say that they feel certain other sections of the country have received preferential treatment in connection with these benefit payments. When this question was raised before the committee, other Members in different sections of the Nation had the same complaint to make, and so as far as the farmers are concerned, the complaint has been general throughout the country that something should be done in the way of laying down a yardstick so the people of this country will know just how the funds are to be allocated.

I make no charge against the Secretary of Agriculture of improper allocation of these funds. I believe he has allocated them in a fair and equitable manner. At the same time, however, we are writing the farm bill here with the hope that we can get the farmers of this Nation to cooperate. One of the best ways to get the farmer to cooperate is to eliminate and avoid all possible confusion and uncertainty. Certainly, if we lay down at this time a definite yardstick, weighted properly, and approaching it upon a commodity basis, we shall then go forward with this program to the farmers in a way which will give us an element of cooperation from them, which does not exist at the present time.

When I came back to this special session I made up my mind to attempt to draft a yardstick which would be accept-

able to the committee, and, aided by the brilliant work of the Legislative Counsel, we drafted the formula which now appears in this bill.

Mr. Chairman, such yardstick is based upon the factors existing in the present Soil Conservation Act dealing with the administration of the act through the States, but you and I know that the States to date have never administered this program; consequently, there is no yardstick at the present time with respect to the manner in which the Secretary of Agriculture shall allocate these funds.

We have set here for years and permitted the Secretary to use his discretionary power in the allocation of funds.

After this yardstick provision was drawn in line with what is in the Soil Conservation Act, I then took it up with the Department to ascertain whether or not they had any figures broken down which would justify the allotment upon an equitable basis, and they advised me that because they had not been operating under that yardstick and because they were not compelled to do so insofar as State allocations are concerned, they had no figures, although they did have certain figures based upon the commodity approach.

[Here the gavel fell.]

Mr. DOXEY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes, because his amendment is entirely new to me and as one member of the committee I want to ask the gentleman some questions, because I want to know just what is the yardstick the gentleman is proposing.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. LUCAS. So, Mr. Chairman, after discussing this matter with two of the men in the Department who know something about the statistical data and facts and figures relative to the matter before us, I agreed to revise the yardstick and submit it to the Congress in the manner in which it has been read by the Clerk. This yardstick was submitted to the chairman of the committee, the gentleman from Texas [Mr. JONES]. It was not submitted to the committee, because we have not had a committee meeting since that time.

I will say to the chairman and to the Members of the House that this formula is practically the same, insofar as its results are concerned, as the yardstick laid down in the bill at the present time, but I have a table here, Mr. Chairman, which I am going to insert in the RECORD, which gives facts and figures, and the percentage allotted to each basic commodity involved in this bill. I want to submit the table at the close of my speech and make it a part thereof in order that every Member may have an opportunity to see exactly to what each and every basic commodity is entitled.

However, the point I am making and what I am more concerned about than anything else, is the fact that heretofore we have had no yardstick. Heretofore there has been nothing but the discretionary power that is put in the hands of the Secretary to allocate four or five hundred million dollars each year. In my opinion the Secretary will welcome the amendment. This will eliminate any and all pressure from every section of the country. This amendment is based upon facts and figures and statistical data that have been submitted by the Department.

I undertake to say we should have something of this kind. This is the best yardstick that the Department thinks will do the work and I have tried in my feeble way to check with them and I believe it will do the work.

There are two things this legislative yardstick will do. It will destroy uncertainty, it will avoid confusion, and make more nearly certain the cooperation of every farmer in the country in connection with this program, and also it will return to the Congress of the United States a legislative function which apparently without any reason has been temporarily abandoned.

The statement referred to follows:

Estimated distribution of acreages, 1927-36, of parity values, 1938-42, and of acreage and value sacrifices, 1927-36 to 1938-42

Crop	1927-36 acres		Parity value		Acreage sacrifice		Value sacrifice		Average columns 2, 4, 6, and 8
	1,000 acres	Percent	\$1,000	Percent	1,000 acres	Percent	\$1,000	Percent	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
All crops and pasture.....		100.0	10,300,000	100.0		100.0		100.0	100.0
All soil-depleting crops.....	303,808	64.9	6,750,000	65.5	24,985	100.0	444,992	100.0	82.6
Cotton ¹	37,385	8.0	1,137,500	11.0	7,385	29.6	187,801	42.2	22.7
Corn (commercial).....	52,617	11.2	1,177,500	11.4	7,615	30.5	129,870	29.2	20.6
Wheat.....	67,757	14.5	800,000	7.8	5,257	21.0	46,998	10.5	13.5
Potatoes (commercial).....	1,948	.4	202,500	2.0	110	.4	8,866	2.0	1.2
Peanuts (nuts).....	1,495	.3	65,000	.6					.2
Rice.....	901	.2	47,500	.5	25	.1	900	.2	.2
Tobacco.....	1,639	.4	250,000	2.4	63	.3	4,765	1.1	1.0
Sugar.....	946	.2	92,500	.9					.3
General depleting ²	139,120	29.7	2,977,500	28.9	4,528	18.1	65,792	14.8	22.9
Commercial vegetables.....	3,562	.8	283,500	2.8					.9
Commercial orchards.....	5,000	1.1	412,500	4.0					1.3
All soil-conserving crops.....	48,893	10.5	1,025,000	10.0					5.1
All pasture ³		23.5	2,112,500	20.5					11.0

Column 1. Average acres reported for the 10-year period, 1927-36.

Column 3. Parity value, based on assumed acreage and production goals for the 5-year period 1938-42 and current parity prices as defined in H. R. 8505.

Column 5. Excess of 1927-36 acreage over assumed goals for 1938-42.

Column 7. Value sacrifice, based on acreages in column 5 and average value of production per acre in the 10-year period, 1927-36.

Column 9. Average of percentage distribution data in columns 2, 4, 6, 8, giving equal weight to each.

¹ Cotton and cottonseed.

² Vegetables included.

³ Pasture in terms of acreage equivalent as measured by the ratio of the contribution of pasture to gross agricultural income in the years 1927-36, and as estimated for the parity period 1938-42.

Mr. LUCAS. I now yield to my friend the gentleman from Mississippi.

Mr. DOXEY. I will say to my distinguished friend from Illinois, who is a member of our committee, that I am sure he realizes as well as I do that when we talk about a yardstick we are discussing a grave and serious problem. We discussed yardsticks in practically every committee meeting we had. We did not reach any definite agreement except what is set out in this bill.

I may say to my friend that he may have here a proper yardstick, although I have not heard it explained here, and I may say as one member of the committee, and I do not think I missed a single meeting of the committee, we have never agreed on it. When I heard the amendment read I was under the impression it was a committee amendment, but after listening to it and knowing it is not a committee amendment, and being such a grave and serious problem affecting all commodities, in all fairness I believe the gentleman should put the amendment in the RECORD; and let us go back to the committee and study it, because you are asking us to consider here one of the most serious things involved in the bill, a most controversial issue and one that affects all the commodities.

If you will let it go into the RECORD and make your statement, then we will have a meeting of the committee and work it out and see just what it provides, because when we vote on a measure like this without any consideration, regardless of how we regard the gentleman's ability and sincerity, it is a serious proposition.

Mr. LUCAS. I appreciate what the distinguished gentleman has said. However, the yardstick I offered to the committee, which appears in the bill, was little debated; it was adopted unanimously, and I had no hesitancy in offering this as a substitute because I presumed it would be adopted. I did discuss it with the assistants to the Secretary of Agriculture and I discussed it with the gentleman from Texas [Mr. JONES]. They discussed it with him, but I am willing to permit this table to go into the RECORD and let the matter lay over until next Monday, when we come back here and take it up at that time.

Mr. DOXEY. You know, in regard to the apportionment of funds, it is always dynamite.

Mr. LUCAS. It has been dynamite since it has not been apportioned by the Congress.

Mr. DOXEY. That is right. If we can amend the bill and make it better I am for it, but it is too grave a problem

to vote on in this way. I am going to ask unanimous consent, with the gentleman's permission, to let this go over until the committee can study it.

Mr. LUCAS. I have no objection to permitting this amendment to go over until next Monday and at that time return to the bill and then consider it. In the meantime, if the chairman desires to call the committee together for the purpose of studying it, that is satisfactory to me.

Mr. JONES. Mr. Chairman, may I, with the gentleman's permission, prefer a substitute request, inasmuch as there has been no discussion at all of this section?

Mr. LUCAS. I yield to the gentleman.

Mr. JONES. I ask unanimous consent that this entire section be passed over, with the privilege of returning to it later.

Mr. WHITTINGTON. Reserving the right to object, would amendments be in order to the section?

Mr. JONES. That leaves it wide open.

The CHAIRMAN. Let the Chair state the gentleman's request. The gentleman from Texas asks unanimous consent that consideration of the pending section, No. 5, be passed over, to be returned to later. Is there objection?

Mr. WHITTINGTON. Reserving the right to object, that would leave the entire section open for amendment and for discussion?

Mr. JONES. Just as open as it is now.

Mr. ANDRESEN of Minnesota. Mr. Chairman, reserving the right to object, will the chairman withhold that request until I can offer an amendment to the section?

Mr. JONES. Can you offer it and let it be printed?

Mr. ANDRESEN of Minnesota. I would like to discuss it.

Mr. JONES. The amendment may not be offered when we come back and the gentleman has a chance to see what we have done.

Mr. ANDRESEN of Minnesota. Then I will withhold my amendment.

The CHAIRMAN. Without objection, the request of the gentleman from Texas [Mr. JONES] will be granted.

There was no objection.

Mr. LUCAS. Mr. Chairman, I ask unanimous consent to insert at the close of my address a table upon which this formula is based.

The CHAIRMAN. The Chair will suggest that that request will have to be made in the House.

The Clerk will read.

The Clerk read as follows:

EFFECTIVE TIME OF SECTIONS 2, 3, AND 4

SEC. 6. The amendments made by sections 2, 3, and 4 shall first be effective with respect to farming operations carried out in the calendar year 1938.

GENERAL DEFINITIONS

SEC. 7. (a) For the purposes of this act:

(1) "Parity", as applied to prices for any agricultural commodity, shall be that price for the commodity which will give to the commodity a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period; and, in the case of all commodities for which the base period is the period August 1909 to July 1914, which will also reflect current interest payments per acre on farm indebtedness secured by real estate and tax payments per acre on farm real estate, as contrasted with such interest payments and tax payments during the base period. The base period in the case of all agricultural commodities except tobacco shall be the period August 1909 to July 1914, and, in the case of tobacco, shall be the period August 1919 to July 1929.

(2) "Parity", as applied to income, shall be that net aggregate income of farmers that bears to the income of persons other than farmers the same relation as prevailed during the period from August 1909 to July 1914.

(3) The term "interstate and foreign commerce" means sale, marketing, trade, and traffic between any State or Territory or the District of Columbia or Puerto Rico, and any place outside thereof; or between points within the same State or Territory or within the District of Columbia or Puerto Rico, though any place outside thereof; or within any Territory or within the District of Columbia or Puerto Rico.

(4) The term "affect interstate and foreign commerce" means in such commerce, or to burden or obstruct such commerce or the free and orderly flow thereof; or to create or tend to create a surplus of any agricultural commodity which burdens or obstructs such commerce or the free and orderly flow thereof.

(5) The term "United States" means the several States and Territories and the District of Columbia and Puerto Rico.

(6) The term "State" includes a Territory and the District of Columbia and Puerto Rico.

(7) The term "Secretary" means the Secretary of Agriculture, and the term "Department" means the Department of Agriculture.

(8) The term "person" means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any agency of the State.

(b) The latest available statistics of the Federal Government shall be used by the Secretary in ascertaining the "total supply", "normal year's domestic consumption", "normal year's exports", "reserve supply level" "parity" as applied to prices and income, and national average yields.

PARITY UNDER REPUBLICAN REGIME

Mr. BREWSTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to make certain observations at this point which I think may invite general agreement upon this measure both from the right and left side of this aisle.

Perhaps it will be well to pause for this purpose in the midst of some of the controversies that exist. It is sometimes intimated that he is a reactionary who should suggest returning to other days; that we are not in line with modern progress if we do not keep our eyes to the front. It is very gratifying to me, therefore, to be able to commend one section of this measure which very definitely takes a look back, and to agree with the chairman of this committee, who has recognized the New Deal heaven as prevailing under a Republican regime. [Applause.]

THE STATE OF MAINE

It is particularly gratifying because that was during a period when the State of Maine, which is sometimes regarded as one of the lesser children at the table, was also exercising a very influential voice in the national affairs, comparable almost with that of Texas in the present day. It is therefore my pleasure to commend the chairman and to invite your attention to the provision that, under this bill, "parity," which is supposed to be the most nearly ideal relationship between the farmer and other producers of this country, was found to exist by the committee and by all those who have considered this matter during the past 5 years, during the period from 1909 to 1914—curiously enough, at the end of a period of 16 years of Republican administration in this country.

During that period, I may be pardoned if I point out, the State of Maine had been almost as potent in our national affairs as is the great State of Texas at the present time.

Not only did we contribute a Vice President pro tempore of the Senate, Hon. William P. Frye, comparable with the genial gentleman who now presides, the Texas Coolidge, but here in the House we had also furnished a Speaker, the great Tom Reed, and a chairman of the Ways and Means Committee, the Honorable Mr. Dingley, of Maine. It is gratifying, therefore, to find an administration in which Maine had played so important a part associated with a period that is the pole star of all agricultural adjustment efforts.

Now, after all these years, when a memorial is occasionally in order, when perhaps a tear may be shed upon the memory of those much abused authors of the Payne-Aldrich Tariff Act which was then in effect under President William Howard Taft, we find that throughout the efforts of the past 5 years to restore agricultural parity, that much-maligned Republican regime is the period which has been picked as the ideal, with one solitary exception and that is in the case of tobacco.

In that instance they picked the period from 1919 to 1929, when again, curiously enough, in 8 of those 10 years we were having a Republican administration. Now, I do not say this in order to cause discomfiture to my friends on the other side of the aisle. I am not quarrelling at this time with this bill, although it does not provide for the major crop of my own State in that it neglects to recognize that potatoes are to be considered in the agricultural picture in spite of the fact that they contribute the fourth food crop in value in the United States.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. BREWSTER. I yield.

Mr. LUTHER A. JOHNSON. The Dingley tariff bill was simply a miniature tariff bill compared with the Hawley-Smoot bill, which caused our present disparity of prices.

Mr. BREWSTER. When was the Hawley-Smoot tariff bill passed?

Mr. LUTHER A. JOHNSON. In 1930, when we began to go down; and it is because of the Hawley-Smoot bill that we have not got parity prices now, I think.

Mr. BREWSTER. Yet the gentleman with the vast majority on your side of the aisle has left that law upon the statute books for 5 long years.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent that the gentleman from Maine may have 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BREWSTER. I yield.

Mr. MARTIN of Colorado. We had parity during the period 1909 to 1914, as the gentleman stated, but we do not know how we got it, we do not know how we lost it; we had nothing to do with its coming and nothing to do with its going; all we know is that it was a mere happenstance, letting Nature take its course.

Mr. BREWSTER. Perhaps the people will ultimately decide to give Nature another chance—or a Republican administration. I have tried to point out that I was not seeking to make political capital out of this situation. It is far too serious. I have heard it suggested in recent years by some of the gentlemen and ladies over on this side that he who takes credit for the sunshine must also take credit for the rain. [Applause.] I ask the gentleman whether or not he will apply that to the conditions which prevail today in America as we face another serious recession? [Applause.]

Mr. MARTIN of Colorado. Apply what?

Mr. BREWSTER. The slogan of the recent campaign, that he who takes credit for the sunshine must also take credit for the rain.

Mr. MARTIN of Colorado. Oh, sure; that is all part of the game. [Applause.]

Mr. BREWSTER. I am very happy to have the gentleman recognize it.

Mr. Chairman, I wish to serve notice that potatoes are not recognized in this legislation, although rice is included with a crop value and an agricultural importance approximately one-sixth that of potatoes. If the effect of this measure is the same as that of the earlier Agricultural Adjustment Act in influencing displaced acreage from other crops to go into potatoes, then it may well be that potato growers will be obliged to come in and ask consideration on a parity with the growers of other crops. [Applause.]

[Here the gavel fell.]

Mr. LUCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LUCE: Page 12, line 21, after the word "persons", insert "engaged in gainful occupations."

Mr. LUCE. Mr. Chairman, it is hard for me to believe that the committee reporting this bill gave serious thought to the phraseology of this paragraph. It will be noticed that parity is arrived at in the case of the farmers by finding the ratio of the aggregate income of farmers to the income of persons other than farmers. It applies to all persons, rich and poor, great and small, wealthy and impoverished. Taken literally, it requires somebody to find out the income of every one of the 125,000,000 persons in the United States. This, of course, is absurd, it is impractical, it is impossible and would accomplish no useful purpose.

I have no doubt that what the gentleman had in mind was parity of income with other workers.

I call your attention to the fact that more than half of the stockholders in this country are women. Certainly it could not have been the intention to use as a measuring stick those women who own property only by reason of being widows or orphans. There is the reason why women outnumber men in holding property and having income. I cannot believe that the committee meant to have them included.

I am not sure that my amendment will accomplish the desired purpose. I would suggest to the chairman that it might be helpful if he would pass over the provision and study its phraseology and take it up later. As it stands now, I am sure he will find it a chicken that comes home to roost and that it will entail a great deal of expense and annoyance without accomplishing the purpose he seeks.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. LUCE. I would rather yield to the chairman of the committee if he chooses to answer me.

Mr. JONES. Mr. Chairman, I do not think what the gentleman suggests would be practicable for the reason that this is the same yardstick they have been using for many years. The effect of the gentleman's amendment would be to require us to find and number everybody who is gainfully employed. It would require a census every time parity was figured, and this parity changes from month to month; that is, the yardstick does not change but the price changes. They took a period when the prices seemed to be fair. It is an arbitrary period, but the parity is the relationship of the farmers' income to the total income of all other people. Such a basis of ascertaining parity does not require the taking of a census to find who is employed and who is not employed.

There might be a half million more employed 3 months from now than are now employed, or a half million less. If we had a yardstick that required us to know the number of employed or unemployed, I do not think it would be practicable, although it might be more desirable. A change may be required to get a little fairer method, but certainly you would have to find out the information for the period 1909 to 1914.

[Here the gavel fell.]

Mr. LUCE. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. JONES. May I say to the gentleman you will find out those who were gainfully employed during the period 1909 to 1914, or did the gentleman change that?

Mr. LUCE. No.

Mr. JONES. How would the gentleman find out who was gainfully employed or who was not away back in 1914?

Mr. LUCE. It does not affect that at all.

Mr. JONES. It is stated, "Parity, as applied to income, shall be that net aggregate income of farmers that bears to the income of persons other than farmers the same relation as prevailed during the period from August 1909 to July 1914."

That does become subject to the suggestion I made; that is, you would have to find out how many were employed and how many were not during that period.

Mr. LUCE. As I stated to the committee, my amendment may not accomplish the purpose I seek, but I do point out the absolute impossibility of finding out the income of the people in the United States other than farmers. It cannot be done.

Mr. JONES. The gentleman understands that over here in the definitions we use the latest available statistics of the Department of Agriculture and the Department of Labor, which Departments continuously compile these statistics and estimates based upon that information. We use that as the method for determining these figures; so it becomes absolute and it can be figured out at any period what the parity price is from those statistics.

Mr. LUCE. It may be my oversight, but I looked in that part of the bill and I could not find that information.

Mr. JONES. I refer the gentleman to page 13, at the bottom of the page, where it is stated:

The latest available statistics of the Federal Government shall be used by the Secretary in ascertaining total supply, normal year's domestic consumption, normal year's exports, reserve supply level, parity as applied to prices and income, and national average yields.

If you take those you have a flat yardstick based on the latest statistics which they have, and that becomes a fairly good method. It has been fairly steady in the past and has worked out satisfactorily.

Mr. LUCE. What line is that?

Mr. JONES. At the bottom of page 13, subsection (b), lines 24 and 25, and the first three lines on page 14.

Mr. LUCE. Is the gentleman satisfied that so modifies the provision that there will be no attempt to find out the aggregate income of the people of this country?

Mr. JONES. I think those figures are all that will be needed for the purpose of carrying out the terms of the definition. I think it is pretty accurate. This same definition, or practically the same definition, has been carried in farm bills for many years.

Mr. LUCE. I still persist in saying that your definition is impracticable and ought to be modified.

Mr. JONES. The departments calculate the total income, and so forth.

Mr. LUCE. You cannot ascertain the income of millions of people in this country.

Mr. JONES. They have the figures, and they find the facts as shown by the census, plus later developments, and the estimates are based on those figures.

Mr. LUCE. Does the gentleman contend that the census discloses the income of the more humble people of the country?

Mr. JONES. They take into consideration, as I understand it, a number of things in arriving at the statistics. I am not an expert on statistics and I would rather someone in the Department of Labor or Agriculture who handles such matter answer the question, because I am not qualified to tell the gentleman just how they arrive at these figures, but I do know they are worked out in a fairly satisfactory manner.

[Here the gavel fell.]

Mr. LUCE. Mr. Chairman, I ask unanimous consent to proceed for an additional 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LUCE. Mr. Chairman, the chairman of the Committee on Agriculture has not faced the other part of my criticism to the effect that persons are included who are not gainfully employed. The women are included in those figures. Does he think that is wise and just?

Mr. JONES. A great many women are gainfully employed.

Mr. LUCE. There are only about 3,000,000 of them employed.

Mr. JONES. Well, that is several.

Mr. LUCE. Certainly, but it does not compare with sixty or seventy million workers in the country.

Mr. JONES. If they are not gainfully employed, the total income would be included whether or not they are employed. If you know the total income and you use your yardstick, what particular difference does it make to the gentleman whether you use those gainfully employed or include the others, because if an amendment such as the gentleman suggests is practicable, then it would probably be necessary to vary the yardstick, because we are dealing with the purchasing power of one group of people measured in terms of the income of all other people in order to try to get a fair relative income basis.

Mr. LUCE. Mr. Chairman, I persist in thinking the provision unfair, but if the gentleman feels it is impossible to consider it further I shall withdraw the amendment.

Mr. JONES. Mr. Chairman, of course, there are some difficulties connected with the matter, but I do not see any way of improving the present language.

[Here the gavel fell.]

Mr. LUCE. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. REILLY. Mr. Chairman, I move to strike out the last word, and I do this for the purpose of asking a question of the chairman of the Committee on Agriculture.

Is this a price-fixing bill?

Mr. JONES. No; this is not a price-fixing bill.

Mr. REILLY. Then are those two sections any more than a stump speech as far as this bill is concerned?

Mr. JONES. I believe they are a great deal more than that. We are endeavoring, as we stated in the opening paragraph of the bill, to attain these ends insofar as it is practicable to do so.

Mr. REILLY. Is there anything the Secretary of Agriculture or anybody else can do in the way of fixing prices under this bill?

Mr. JONES. There is nothing he can do in the way of absolute price fixing. The gentleman is correct.

Mr. REILLY. In other words, this section has no materiality to the purposes of this bill?

Mr. JONES. I think it does have very much materiality, because when payments for soil conservation are made they certainly add that much toward parity income. In addition, there are other provisions of the bill, for instance, section 32, which enable the purchase and distribution of any or all farm commodities, or the payment of losses on the export of them. Further, there is authority for using other funds for other payments if money should be made available. Therefore an increase in income is possible. There are many ways, as through loan provisions, through adjustment provisions, and through soil conservation, by which we believe the income of farmers will be increased.

Mr. REILLY. There is no question about what the gentleman has said, but you are doing that directly by giving every farmer like treatment. However, you are not figuring on the idea of directly increasing the income of the farmers through the control of marketing. This portion of the bill, I take it, must be intended to be attached to or be considered in connection with some inflationary amendment which may be offered to the bill.

Mr. JONES. We did not consider any of such phases because our committee does not have jurisdiction over them.

Mr. REILLY. These two sections are like the statement in the money part of the report on the Senate farm bill. It is along that line.

Mr. JONES. That body, as the gentleman knows, has rules of its own, which differ from our rules.

Mr. REILLY. I am not talking about rules, but the statement in the latter part of the Senate report on its farm bill.

Mr. JONES. I know, but I may state to the gentleman we did not help write that report on the bill.

[Here the gavel fell.]

Mr. MURDOCK of Arizona. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK of Arizona: Page 13, line 23, after the word "State", insert a new subsection, subsection (9), to read as follows:

"The term 'trend in acreage' as applied to cotton shall mean for adjustment purposes, that, if in the next preceding year there has been an increase in planted acres of more than 10 percent over the average of the previous applicable years in any State, county, or subdivision, then the number of planted acres in such next preceding year, plus the acreage diverted under previous agricultural adjustment and conservation program, shall constitute the acreage upon which the quota is determined for such State, county, or subdivision."

Mr. JONES. Mr. Chairman, I reserve a point of order on this amendment. It seems to me it goes far beyond a definition of "trend" and brings in quotas and a lot of other things.

Mr. MURDOCK of Arizona. Mr. Chairman, I am submitting this amendment at this time, having a day or two ago suggested that I would offer the amendment at this point. The amendment was offered me in this form by one of my constituents who is an authority on cotton matters. The amendment was primarily aimed to aid the new cotton farmers in the State of Arizona. I noticed yesterday, however, that the committee did not react favorably to a proposal to give special consideration to those far western communities which practice irrigation. This is wider in its application.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from South Carolina.

Mr. FULMER. On yesterday we agreed to an amendment which gave to your farmer who has been producing 1 or 2 years 50 percent of the 5-year allotment, more than you are really entitled to under the bill.

Mr. MURDOCK of Arizona. I thank the gentleman for that reminder but more particularly for the consideration shown my people in the provisions he mentions. Because of yesterday's action, and because we cannot expect more, I hesitate to offer this amendment today, and I shall probably want to withdraw it. However, before doing so, may I say that, in my opinion, there is grave danger that we may in this bill so restrict and freeze production to a certain locality as to deprive the fringes of the Nation of any opportunity to develop. I am thinking now not only of the far southwestern section but of all the areas where large investments have been made in new cotton projects which are likely to be hampered if not destroyed. This is true even in the Tenth Congressional District of Missouri, or in some of the other regions where drainage areas have been established. It is not wise national policy, and certainly not justice to the owners, to destroy expensive, new projects by this legislation.

Mr. FULMER. Will the gentleman yield further?

Mr. MURDOCK of Arizona. I yield.

Mr. FULMER. May I say also that we give the gentleman's section this advantage. You grow quite a lot of inch-and-a-half cotton in your section of the country. This cotton is exempted, and the gentleman's constituents can grow all they possibly can. For such cotton you get twice as much or more than you do for short cotton.

Mr. JONES. The same proposition has been passed on, if the gentleman will yield. I hope the gentleman will withdraw his amendment.

Mr. MURDOCK of Arizona. May I state now that I appreciate more than I can say the courtesy of the committee in giving us unrestricted opportunity to produce American Egyptian cotton, or cotton which is more than 1½ inches in length. I am aware that Arizona is the only recipient of the benefits of this provision. This long cotton needs and deserves our promotion and protection. It is with reference to the new, short staple cotton projects that I am apprehensive.

However, Mr. Chairman, in view of the action taken yesterday favorable to the new projects and in view of the fact that it is probably the best we can put in this bill, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. JONES. Mr. Chairman, in view of the fact that a Member who is vitally interested in title II was compelled to leave the city, I ask unanimous consent to pass over title II and begin reading title III.

Mr. PATMAN. Mr. Chairman, reserving the right to object—and I shall not object—could we have a definite time fixed to take up this title; say, tomorrow or Monday?

Mr. JONES. I am perfectly willing to agree to take it up Monday.

Mr. PATMAN. The first thing Monday?

Mr. JONES. I know the gentleman is interested in this title. The matter came up very suddenly a moment ago and I hated to deny the request of my colleague, and I therefore ask unanimous consent that title II be taken up Monday at the beginning of the Committee session.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to pass over title II until Monday. Is there objection?

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, does that contemplate there will be no session tomorrow?

Mr. JONES. I am hoping there will be no session tomorrow, because I feel a number of the Members would like to have tomorrow to catch up with other things.

Mr. CASE of South Dakota. I have no objection, Mr. Chairman.

Mr. McCORMACK. Mr. Chairman, reserving the right to object, does the gentleman want section 202 of the title to go over?

Mr. JONES. It is not necessary that that go over, and if the gentleman prefers I will modify the request to apply only to section 201.

Mr. McCORMACK. Why not do that?

Mr. JONES. I modify the request in that respect, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas modifies his request and asks unanimous consent that section 201 of title II go over until Monday.

Mr. PATMAN. Mr. Chairman, reserving the right to object, I do not believe the Chair stated all of the gentleman's request. The gentleman also asked that it be taken up the first thing Monday.

The CHAIRMAN. To be taken up the first thing on Monday when the House goes into the Committee of the Whole. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will read section 202 of title II. The Clerk read as follows:

CONSUMER SAFEGUARDS

SEC. 202. The powers conferred under this act shall not be used to discourage the production of supplies of foods and fibers sufficient to maintain normal domestic human consumption as determined by the Secretary from the records of domestic human consumption in the years 1920 to 1929, inclusive, taking into consideration increased population, quantities of any commodity that were forced into domestic consumption by decline in exports during such period, current trends in domestic consumption and exports of particular commodities, and the quantities of substitutes available for domestic consumption within any general class of food commodities. In carrying out the purposes of this act due regard shall be given to the maintenance of a con-

tinuous and stable supply of agricultural commodities adequate to meet consumer demand at prices fair to both producers and consumers.

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: On page 15, line 23, after the word "act", insert "it shall be the duty of the Secretary to give", and in the same line, after the word "regard", strike out the words "shall be given."

Mr. McCORMACK. Mr. Chairman, may I ask my friend, the gentleman from Texas, if he has any objection to the amendment?

Mr. JONES. I do not see any objection to the language of the amendment; in fact, I think it rather strengthens the bill.

The amendment was agreed to.

Mr. BREWSTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BREWSTER: Page 15, line 25, after the word "commodities", insert "from domestic production."

Mr. BREWSTER. Under the section providing consumer safeguards, I move to amend, in section 202, on page 15, in the twenty-fifth line, by inserting the words "from domestic production," so that the last sentence in this section shall read, as amended:

In carrying out the purposes of this act it shall be the duty of the Secretary of Agriculture to give due regard to the maintenance of a continuous and stable supply of agricultural commodities from domestic production adequate to meet consumer demand at prices fair to both producers and consumers.

Mr. Chairman, it is my hope that the chairman of the committee may feel that the insertion of this language will be in accordance with the very evident objectives of the bill in simply providing that when the Secretary comes to consider whether or not we have adequate supplies he shall not take into account the importations from other countries. It is, I think, very definitely what the chairman and the members of this committee must have in mind, but I do not think it is definitely provided in the bill. At the present time, or under the present measure, this is only of concern to the five commodities provided for in this act, and I am sure those interested in wheat or corn or cotton do not want foreign production taken into account in determining whether or not there are adequate supplies available for the consumer in the United States.

Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. BREWSTER. I yield.

Mr. ANDRESEN of Minnesota. Is it the gentleman's idea or does he concur in the opinion expressed here that the American farmers and producers are entitled to the market in this country?

Mr. BREWSTER. That is precisely the point, and I have hoped that the Members on both sides of the aisle would be agreeable to the addition of this definition to place it beyond peradventure.

The matter has been brought home very forcefully to me. Although this would not affect the State of Maine, under the provisions of this bill, because potatoes are not included and we produce very largely potatoes, yet in the year 1936 more than 1,000,000 bushels of foreign potatoes were brought into our country—1,265,924 bushels, to be exact.

This year in the first 9 months there has been an increase of importations of potatoes from Canada under the provisions of the reciprocal trade agreement of more than 60 percent over the same period in 1936.

A shipload just landed in an American port this last week—brought here by a Norwegian freighter which may be of double interest to the gentleman from the eastern shore of Virginia [Mr. BLAND], the distinguished chairman of the Committee on Merchant Marine and Fisheries.

We have in this country today 50,000,000 bushels more potatoes than the country needs or wants. The Secretary of Agriculture has sponsored marketing agreements seeking to eliminate millions of bushels of potatoes by producers at

their own expense—taking them out of consumption. The Secretary of Agriculture is using thousands of dollars of Government funds to divert other edible potatoes, by paying for their diversion to starch or feed.

We appreciate that profoundly, but we do feel that Mr. Morgenthau, who is trying to balance the Budget, should call together Mr. Wallace, who is paying this money to retire potatoes, and Mr. Hull, who is letting down the tariff barriers to let in more potatoes. If the boys will only get together they can help out Mr. Morgenthau's dilemma. They can save the Treasury a great deal of money, and they can do justice to the American producer of all kinds of food crops and the American consumer as well, because in a period when we have millions of bushels more than the country possibly needs, why should we permit other millions of bushels of potatoes to come in and force more of our citizens upon relief?

I trust the chairman will accept this amendment, which will simply mean that in determining quotas we will not take into account foreign production.

Mr. JONES. May I ask the gentleman this question? This section is put in here for the protection of the consumer. I did not want to put anything in here that would be objectionable to the consumer interests. I would like to defer to the gentleman from Massachusetts [Mr. McCormack] on that. He helped to write this provision.

Mr. McCormack. I thank the gentleman very much. I appreciate that. As far as I am concerned, I see no objection to the amendment. If the chairman of the committee is agreeable to accepting it, as far as I am concerned in my individual capacity, I urge it.

Mr. JONES. It seems satisfactory from the standpoint of the producers, but as the gentleman spent a great deal of time on this feature of the bill, I followed his draftsmanship on this matter. If it is all right with him, as far as I am personally concerned, I have no objection.

Mr. Brewster. I am glad the gentleman from New England [Mr. McCormack] is interested in doing justice to both the producer and consumer alike.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine [Mr. Brewster].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. JONES. Mr. Chairman, since this tobacco provision is thoroughly worked out by the tobacco subcommittee, and those who are interested are sufficiently familiar, I wonder if we cannot read it by title and permit amendments to be offered anywhere in the title at any time?

I make that as a unanimous-consent request.

The CHAIRMAN. The gentleman from Texas [Mr. Jones] asks unanimous consent that title III, dealing with tobacco, be read, and that amendments be then offered to any part of the title. Is there objection?

There was no objection.

Mr. JONES. Mr. Chairman, I ask unanimous consent that we consider it by parts, as we have different parts as to different commodities, and that each part be disposed of before passing to the other part. That will limit it to tobacco. I intended to ask to waive the reading of the tobacco part. We originally had these things in different titles. Now we have put them all in one title with different parts. I would like to ask unanimous consent to withdraw my request and make my request applicable to only part 1 at the present time.

The CHAIRMAN. Without objection, the original request is reconsidered and withdrawn.

There was no objection.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to consider part 1 as a whole, to which amendments may be offered. Is there objection?

Mr. Lucas. Reserving the right to object, Mr. Chairman, I would like to ask this question. It is now apparent, by the way we are going through this tobacco section, that we will reach part 2, on page 28, which involves field corn. The passing over the loan feature by unanimous consent will make it necessary for me to ask unanimous consent to pass

over the amendment that I have involving farm marketing quotas, because one hinges upon the other. I wanted to take up the loan proposition first.

Mr. JONES. Do you mean before any of these, or before we come to corn?

Mr. Lucas. At the time we reach the corn section.

Mr. JONES. I have no objection to passing it over. At least, that can be done when we come to corn. That is all.

The CHAIRMAN. Is there objection?

Mr. Gilchrist. Reserving the right to object, Mr. Chairman, we cannot hear anything. There seems to be a private conversation going on, and I would like to know what the request is.

Mr. JONES. The request is that part 1 of title III, dealing with marketing quotas on tobacco, be read simply by title and be open to amendment anywhere in the title until disposed of.

Mr. Gilchrist. That concerns tobacco?

Mr. JONES. Just tobacco.

The CHAIRMAN. Is there objection?

Mr. Michener. Is it the purpose to ask that on other commodities as well?

Mr. JONES. That depends on the disposition of the House and what the status is at the time; we might do so.

Mr. Gilchrist. The gentleman's request would extend to the middle of page 37?

Mr. JONES. No; to the middle of page 28.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

TITLE III—MARKETING QUOTAS
PART I—MARKETING QUOTAS—TOBACCO
LEGISLATIVE FINDING

SECTION 301. (a) The marketing of tobacco constitutes one of the great basic industries of the United States, with ramifying activities which directly affect interstate and foreign commerce at every point, and stable conditions therein are necessary to the general welfare. Tobacco produced for market is sold on a Nation-wide market and, with its products, moves almost wholly in interstate and foreign commerce from the producer to the ultimate consumer. The farmers producing such commodity are subject in their operations to uncontrollable natural causes, are widely scattered throughout the Nation; in many cases such farmers carry on their farming operations on borrowed money or leased lands and are not so situated as to be able to organize effectively, as can labor and industry, through unions and corporations enjoying Government protection and sanction. For these reasons, among others, the farmers are unable without Federal assistance to control effectively the orderly marketing of such commodity, with the result that abnormally excessive supplies thereof are produced and dumped indiscriminately on the Nation-wide market.

(b) The disorderly marketing of such abnormally excessive supplies affects, burdens, and obstructs interstate and foreign commerce by (1) materially affecting the volume of such commodity marketed therein, (2) disrupting the orderly marketing of such commodity therein, (3) reducing the price for such commodity with consequent injury and destruction of interstate and foreign commerce in such commodity, and (4) causing a disparity between the prices for such commodity in interstate and foreign commerce and industrial products therein, with a consequent diminution of the volume of interstate and foreign commerce in industrial products.

(c) Whenever an abnormally excessive supply of tobacco exists, the marketing of such commodity by the producers thereof directly and substantially affects interstate and foreign commerce in such commodity and its products, and the operation of the provisions of this part becomes necessary and appropriate in order to promote, foster, and maintain an orderly flow of such supply in interstate and foreign commerce.

DECLARED POLICY

SEC. 302. It is hereby declared to be the policy of the Congress in the enactment of this part to promote the maintenance of an adequate and balanced flow of tobacco in interstate and foreign commerce, to provide a reserve supply of tobacco, and to establish and maintain, so far as is practicable, parity of income for farmers marketing such commodity.

DEFINITIONS

SEC. 303. For the purposes of this part—
(a) "Tobacco" means each of the kinds of tobacco listed below comprising the types specified as classified in Service and Regulatory Announcement No. 118 of the Bureau of Agricultural Economics of the Department:

Flue-cured tobacco, comprising types 11, 12, 13, and 14;
Fire-cured tobacco, comprising types 21, 22, 23, and 24;
Dark air-cured tobacco, comprising types 35, 36, and 37;

Burley tobacco, comprising type 31;
 Maryland tobacco, comprising type 32;
 Cigar-filler and cigar-binder tobacco, comprising types 42, 43, 44, 45, 46, 51, 52, 54, and 55.
 The provisions of this part shall apply to such kinds of tobacco severally.

(b) The "total supply" of tobacco for any marketing year shall be the carry-over at the beginning of such marketing year plus the estimated production thereof in the United States during the calendar year in which such marketing year begins, except that the estimated production of type 46 tobacco during the marketing year with respect to which the determination is being made shall be used in lieu of the estimated production of such type during the calendar year in which such marketing year begins in determining the total supply of cigar-filler and cigar-binder tobacco.

(c) The "carry-over" of tobacco for any marketing year shall be the quantity thereof on hand in the United States at the beginning of such marketing year which was produced in the United States prior to the beginning of the calendar year then current, except that in the case of cigar-filler and cigar-binder tobacco the quantity of type 46 on hand and theretofore produced in the United States during such calendar year shall also be included.

(d) The "normal supply" of tobacco shall be a normal year's domestic consumption and exports plus 175 percent of a normal year's domestic consumption and 65 percent of a normal year's exports as an allowance for a normal carry-over.

(e) The "reserve supply level" of tobacco shall be the normal supply plus 5 percent thereof, to insure a supply adequate to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty.

(f) The term "marketing year" means, for flue-cured tobacco, the period from July 1 of one year to June 30 of the succeeding year; for all other tobacco, the period from October 1 of one year to September 30 of the succeeding year.

(g) "Normal year's domestic consumption" of tobacco shall be the yearly average quantity thereof, produced in the United States, that was consumed in the United States during the 10 marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

(h) "Normal year's exports" of tobacco shall be the yearly average quantity thereof that was produced in the United States and exported therefrom during the 10 marketing years immediately preceding the marketing year in which such exports are determined, adjusted for current trends in such exports.

(i) "Marketing" means disposing of by sale, barter, exchange, or gift.

NATIONAL MARKETING QUOTA

SEC. 304. (a) Whenever, on the 15th day of November of any calendar year, the Secretary finds that the total supply of tobacco as of the beginning of the marketing year then current exceeds the reserve supply level thereof, the Secretary shall announce the amount of such total supply, and, beginning on the first day of the marketing year next following and continuing throughout such year, a national marketing quota shall be in effect for the tobacco marketed during such succeeding marketing year. The Secretary shall also determine and specify in such announcement the amount of the national marketing quota in terms of the total quantity which may be marketed, which will make available for marketing during the succeeding marketing year a supply of tobacco equal to the reserve supply level. Such announcement shall be made not later than the 1st day of December in such year.

(b) Within 30 days after the date of the issuance of the announcement specified in subsection (a) of this section, the Secretary shall conduct a referendum of all farmers who would be subject to the national marketing quota for tobacco to determine whether such farmers are in favor of or opposed to such quota. If more than one-third of the farmers voting in the referendum oppose such quota, the Secretary shall, prior to the 1st day of January, announce the result of the referendum and such quota shall not become effective.

(c) In connection with the determination and announcement of any marketing quota for the 1938-39 marketing year, the determination by the Secretary pursuant to subsection (a) of this section shall be made as of the 15th day of January and announced not later than the 1st day of February, and the announcement of the Secretary pursuant to subsection (b) of this section shall be made prior to the 1st day of March.

APPORTIONMENT OF NATIONAL MARKETING QUOTA

SEC. 305. (a) The national marketing quota for tobacco established pursuant to the provisions of section 304, less the amount to be allotted under subsection (c) of this section, shall be apportioned by the Secretary among the several States on the basis of the total production of tobacco in each State during the 5 calendar years immediately preceding the calendar year in which the quota is announced (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with such adjustments as are determined to be necessary to make correction for abnormal conditions of production, for small farms, and for trends in production during such 5-year period.

(b) The Secretary shall provide, through local committees of farmers, for the allotment of the marketing quota for any State (less the amounts to be allotted under subsection (c) of this section) among the farmers producing tobacco therein, on the basis of the following: Past production of tobacco; land, labor, and equipment available for the production of tobacco; crop-rotation

practices; and the soil and other physical factors affecting the production of tobacco: *Provided*, That, except for farms on which for the first time in 5 years tobacco is produced to be marketed in the marketing year for which the quota is effective, the marketing quota for any farm shall not be less than the smaller of either (1) 3,200 pounds, in the case of flue-cured tobacco, and 2,400 pounds in the case of other kinds of tobacco, or (2) the average tobacco production for the farm during the preceding 3 years, adjusted upward, if necessary, so as to equal the normal production of the highest tobacco base acreage established for the farm under agricultural adjustment and conservation programs during any of such preceding 3 years.

(c) The Secretary shall provide, through local committees of farmers, for the allotment of not in excess of 5 percent of the national marketing quota (1) to farms on which for the first time in 5 years tobacco is produced to be marketed in the year for which the quota is effective and (2) for further increase of allotments to small farms mentioned in the proviso in subsection (b) of this section on the basis of the following: Land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided*, That farm marketing quotas established pursuant to this subsection for farms on which tobacco is produced for the first time in 5 years shall not exceed 75 percent of the farm marketing quotas established pursuant to subsection (b) of this section for farms which are similar with respect to the following: Land, labor, and equipment available for the production of tobacco, crop-rotation practices, and the soil and other physical factors affecting the production of tobacco.

(d) Farm marketing quotas may be transferred only in such manner and subject to such conditions as the Secretary may prescribe by regulations.

ADJUSTMENT AND SUSPENSION OF QUOTAS

SEC. 306. (a) If the Secretary has reason to believe that any national marketing quota for tobacco will not make a normal supply of tobacco available for marketing during the marketing year for which such quota has been established, he shall cause an immediate investigation to be made with respect thereto in the course of which due notice and opportunity for public hearing shall be given to interested persons. If, upon the basis of such investigation, the Secretary finds the existence of such fact, he shall announce the same and upon such announcement the amount of such national marketing quota shall be increased to such amount as he shall have determined upon the basis of such investigation, will make available for marketing during such marketing year a normal supply of tobacco and shall announce such increased marketing quota. The amount of each farm marketing quota shall be increased in the same ratio.

(b) If the Secretary has reason to believe that any national marketing quota for tobacco should be terminated because of a national emergency or a material increase in export demand, or because the total crop as a result of unfavorable conditions of production will be substantially less than the marketing quota therefor, he shall cause an immediate investigation to be made to determine whether the termination of such quota is necessary in order to effectuate the declared policy of this part or to meet an increased demand arising from such emergency or export demand. If, upon the basis of such investigation, the Secretary finds that such termination is necessary, he shall immediately announce such finding and thereupon such quota shall terminate.

PENALTIES

SEC. 307. (a) Any person who knowingly acquires from a producer tobacco marketed by such producer from a farm in excess of the marketing quota for such farm shall be subject to a penalty of 50 percent of the market price of the tobacco on the date of such acquisition, or 3 cents per pound in the case of flue-cured, Maryland, or burley, or 2 cents per pound in the case of all other kinds of tobacco, whichever is the higher. If the tobacco is acquired by sale the purchaser may deduct the amount of the penalty from the price which would otherwise be paid for such tobacco. All penalties shall be remitted to the Secretary and shall accrue to the United States.

(b) All persons, in whatever capacity acting, including producers, warehousemen, processors of tobacco, and common carriers, and persons engaged in the business of purchasing tobacco from farmers, or of redrying, prizing, or stemming tobacco for farmers, shall, from time to time on request of the Secretary, report to the Secretary such information and keep such records as the Secretary finds to be necessary to enable him to carry out the provisions of this part. Such information shall be reported and such records shall be kept in accordance with forms which the Secretary shall prescribe. For the purpose of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the Secretary is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as he has reason to believe are relevant and are within the control of such person. Any such person failing to make any report or keep any records as required by this subsection or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$500.

(c) The several district courts of the United States are hereby vested with jurisdiction specifically to enforce the provisions of this section. If and when the Secretary shall so request, it shall be the duty of the several district attorneys in their respective districts, under the direction of the Attorney General, to institute

proceedings to collect the penalties provided in this section. The remedies and penalties provided for herein shall be in addition to, and not exclusive of, any of the remedies or penalties under existing law.

(d) All information reported to or acquired by the Secretary pursuant to this section shall be kept confidential by the Department, except that such information as the Secretary deems relevant may be disclosed in a suit or administrative hearing involving the administration of this part.

(e) The Secretary of Agriculture shall prescribe (1) regulations with respect to the time and manner of the payment of the penalties provided for in subsection (a); (2) regulations with respect to the identification of marketings of tobaccos; and (3) such other regulations as he deems necessary for the enforcement of the provisions of this section.

PUBLICATION AND REVIEW OF QUOTAS

SEC. 308. The farm marketing quotas for tobacco established for farms in a county or other local administrative area shall be made available for public inspection, and may be reviewed, in the manner provided in part VI of this title.

Mr. FLANNAGAN. Mr. Chairman, I have three or four perfecting amendments that have been approved by the Department of Agriculture, by the tobacco group, and by the legislative counsel which I desire to offer.

Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLANNAGAN: Page 21, lines 10 and 11, strike out the words "for marketing."

The amendment was agreed to.

Mr. FLANNAGAN. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. FLANNAGAN: Page 23, lines 1 and 2, strike out "farmers producing tobacco therein" and insert in lieu thereof "farms on which tobacco is produced."

The amendment was agreed to.

Mr. FLANNAGAN. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Page 23, lines 2 and 3, strike out the word "production" and insert in lieu thereof the word "marketing."

The amendment was agreed to.

Mr. FLANNAGAN. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Page 23, line 15, strike out the word "base."

The amendment was agreed to.

Mr. FLANNAGAN. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. FLANNAGAN: Page 23, line 16, strike out "established for the farm" and insert in lieu thereof "grown on the farm in such year plus any tobacco acreage diverted."

Mr. ANDRESEN of Minnesota. Mr. Chairman, will not the gentleman from Virginia explain that amendment?

Mr. FLANNAGAN. Which one?

Mr. ANDRESEN of Minnesota. The last amendment, which changes, as I understand it, the farm acreage devoted to the growing of tobacco to the amount of tobacco grown on the farm.

Mr. FLANNAGAN. It merely clarifies the language of the bill. What we are doing is to aid the small farmer who produces under 2,400 pounds by restoring his acreage; in other words, if he has suffered a cut in his base acreage under the Agricultural Adjustment Act or under the Soil Conservation Act, we restore that acreage, provided his poundage will not exceed 2,400 pounds in burley or 3,200 pounds in flue-cured tobacco.

Mr. ANDRESEN of Minnesota. It means, then, that the small producer would have an exemption to the extent of 2,400 pounds in the acreage upon which that is produced.

Mr. FLANNAGAN. That is it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. FLANNAGAN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. FLANNAGAN: Page 21, line 7, after the word "referendum", insert "by secret ballot."

Mr. BOILEAU. Mr. Chairman, is it line 7 or 17?

The CHAIRMAN. The Chair calls the attention of the gentleman from Virginia to the fact that he seeks to amend line 7. It should be 17.

Mr. FLANNAGAN. Mr. Chairman, that was a typographical error. I modify the amendment to read "line 17."

Mr. BOILEAU. Mr. Chairman, I desire to strike out the paragraph beginning in line 15 and ending in line 24.

The CHAIRMAN. The Chair asks the gentleman from Wisconsin to withhold his amendment until action has been taken on the Flannagan amendment.

The Clerk will report the amendment offered by the gentleman from Virginia [Mr. FLANNAGAN].

The Clerk read as follows:

Committee amendment offered by Mr. FLANNAGAN: On page 21, line 17, after the word "referendum", insert a comma and the words "by secret ballot."

Mr. DEEN. Mr. Chairman, I would like to have the gentleman from Virginia explain the amendment.

Mr. ROBSION of Kentucky. Mr. Chairman, I make the same request.

Mr. FLANNAGAN. It provides for a secret ballot when the referendum is held; I think we should have a secret ballot.

Mr. DEEN. Does the gentleman mean the Australian ballot?

Mr. FLANNAGAN. It simply provides that when the referendum is held the ballot shall be secret so the tobacco grower can express free from restraint his own free will.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. ROBSION of Kentucky. Will the gentleman explain how these referenda are held? The gentleman's amendment provides that the ballot shall be secret. How are they held?

Mr. FLANNAGAN. Well, that referendum has usually been taken by the Secretary of Agriculture through circularization of the farmers.

Mr. ROBSION of Kentucky. It is sent through the mails, is it not?

Mr. FLANNAGAN. Yes.

Mr. ROBSION of Kentucky. I thought that was done by the local committees. That is, they went before the local committees and cast their ballot.

Mr. FLANNAGAN. I think in some sections it has been done that way.

Mr. ROBSION of Kentucky. Have those referendums been satisfactory? Has there been complaint of pressure or fraud or anything like that?

Mr. FLANNAGAN. I may say to the gentleman from Kentucky that so far as my section is concerned I have not had a single complaint with respect to the way the referendums have been conducted, and I think that is the situation generally.

Mr. DEEN. Will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Georgia.

Mr. DEEN. Will the gentleman explain whether or not the secret ballot is confined to the landowner or whether tenants and sharecroppers participate in the election?

Mr. FLANNAGAN. Anyone subject to a quota, whether he is a tenant, sharecropper, or landowner, will be given the right to vote.

Mr. KOPPLEMANN. Will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Connecticut.

Mr. KOPPLEMANN. As I understand it, the purpose of the amendment is to make it possible for the farmers of the various types to record their vote?

Mr. FLANNAGAN. Without coercion or intimidation, in order that the expression the Secretary receives will be a true expression on the subject.

Mr. PACE. Will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Georgia.

Mr. PACE. If it has been so satisfactory in the past with an open ballot, who has suggested all this secrecy?

Mr. FLANNAGAN. We propose to conduct it in the same manner that it was conducted before. We are not changing it.

Mr. PACE. The secret provision was not in past referendums?

Mr. FLANNAGAN. No; but it was held in that way.

[Here the gavel fell.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. BOILEAU. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU: Page 21, line 15, strike out all of lines 15 to 24, inclusive.

Mr. BOILEAU. Mr. Chairman, I ask unanimous consent that my time may be extended an additional 5 minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that his time may be extended to 10 minutes. Is there objection to the request?

There was no objection.

Mr. BOILEAU. Mr. Chairman, this amendment would strike out the provision with reference to a referendum; and in the event the amendment is agreed to by the Committee, I shall offer similar amendments to strike out the referendum provisions in the other parts of the bill affecting other commodities.

I hope to have the undivided attention of the members of the Committee, because, in my judgment, this provision providing for the so-called referendum as called for by this bill is the greatest threat to democracy that has been presented to the House during the time any of us have sat in this body. Mr. Chairman, as long as I have been privileged to be active in the politics of my own State, and since I have become a Member of this body, I have been an advocate of the initiative and referendum. I believe in the initiative and referendum. I believe it is well and would be well if we amended the laws of this Nation, the various States, and the subdivisions thereof to permit the initiative and the referendum. I believe in giving the people the right to speak. I believe in majority rule. I believe in giving the people the direct responsibility and the direct privilege of determining whether or not they desire that certain legislation be enacted into law.

Mr. Chairman, I have never advocated the type of referendum that is included in the pending bill. The type of referendum I have advocated and which many of you have advocated has been one that would permit the submission of a question to a vote of all the people in the governmental division affected by the legislation. Those of us who have been advocating referendums have never advocated a referendum to be submitted to only part of the people. It is undemocratic. If we in this bill submit a referendum to a part of the people, whether it be a group of bankers, a group of farmers, or a group of utility owners, and when we submit a referendum to any number less than the total number of people, thereby stating that that group representing less than the total number of people have the right to say whether or not an act of Congress shall become effective, we are deliberately flying in the face of the Constitution and we are deliberately casting aside the fundamental basis of democracy in this country.

What does this amendment do? I refer to all the referendum features in this bill, because the argument I advance with reference to this amendment can be used with equal force to the referendum provisions with reference to cotton, wheat, tobacco, and so forth. The bill provides that if and when there is a certain amount of corn, wheat, tobacco, rice, and so forth, grown and when and if the total supply, the carry-over, and the new crop, equals or exceeds a certain fixed figure which we set forth in this bill, then the Secretary of Agriculture shall put into effect these marketing quotas. So far so good. Up to that point I believe we

are acting within the Constitution and we are also acting in a way that is consistent with our views on democracy.

But then we go one step further. After the Secretary announces the establishment of a quota, we provide then that the Secretary shall submit the question to a referendum. Referendum to whom? All the people? No. All of the farmers? No. All of the farmers producing corn, for instance? No. All of the farmers producing tobacco? No. Only those farmers producing corn and tobacco who would be subject to the quotas. That is, only a part of the farmers. Then it is further broken down so that it applies to only a part of the farmers growing that particular commodity.

Mr. Chairman, that is not a democratic referendum and I submit if we can give to the farmers, not a majority of the farmers but one-third of the farmers, the right to say that the deliberate judgment of Congress shall be set aside, we can also say that the will of one-tenth of the farmers shall set aside and nullify the judgment of this Congress.

If we can say that one-third or one-tenth of the farmers can nullify acts of Congress, then Congress under such a construction of the Constitution could submit that question to one-third or one-tenth of the bankers, or one-third or one-tenth of the utility operators, or one-third or one-tenth of the manufacturers of the country. When you do that, I am not prepared to say whether you will have a communistic system, and I do not know if you want to call it fascism, but I do know it is not democracy, because the very foundation of democracy is that all the people, not any class, shall have an equal voice in declaring what shall be the legislation of this country. We have established here a system of representation by which all the people, farmers, laborers, bankers, or whatever they may be, have an equal voice in electing their Representatives, you and me, to this body. We, as Representatives of our people, cast our vote and raise our voices not in behalf of the farmers, not in behalf of the laborers, and not in behalf of the bankers or the manufacturers, but in behalf of the people. When we say any group less than the whole shall say what the law shall be, it is neither a true referendum nor is it true democracy.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I will yield in just a moment.

I submit that the only reason in the world this provision is in here is that some Members of this body who want to invoke these provisions and who want to enact this law are not willing to assume their responsibility as legislators. They are unwilling to back their judgment with their vote. They are passing the buck back to the farmers. Then they can go back and say in the next campaign, "You farmers may not like it, but do not forget that I voted to give you your choice of whether you wanted to come under this provision or not."

Although this law, fixing quotas on commodities which are the necessities of life, may first of all affect the activity of the farmer, nevertheless, eventually, the laboring man, the banker, the professional man, and all the people of this country will be affected by this measure. We here have no right to surrender our responsibility into the hands of any group, whether it be a small or a large group, and whether it be the farmer or anybody else.

I am aware of the fact that when I go out for my campaign next year there will be some—and I can visualize one individual right now—who will go around my district and say Jerry Boileau was not willing to trust the judgment of the farmers. I know this is the attack which is going to be made on me. I submit to you, however, that I am convinced this is a parting of the ways, that this principle, if it should be upheld by the Supreme Court, is the most dangerous provision we could put into the law, and that its adoption would be the establishment of a principle which would come back to plague us on some future day. I believe this provision to be undemocratic, and should be taken out of the bill. [Applause.]

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent that I may be permitted to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, my good friend the gentleman from Wisconsin [Mr. BOILEAU] objects to the referendum feature of this bill, first, because he doubts its constitutionality. On this particular point I am frank to confess at the outset I am unable to point to any Supreme Court decision involving a Federal statute to support the position I have taken with reference to these referendum provisions. However, my consideration of the law as it has been laid down in decisions of the circuit courts and of the State courts leads me to believe that the Supreme Court of the United States will hold the referendum provisions of this bill to be constitutional.

In the first place, I assume no one will question the right of Congress to enact a law which is to become operative and effective upon the happening of some future contingency. I likewise assume no one will question the authority of Congress to enact a law which is to become operative and effective upon the making of certain determinations by certain persons designated for the specific purpose. In this bill we authorize the Secretary of Agriculture to make certain determinations based upon certain statistical information which is available to him in the Department. I assume thus far no one would question our right in regard to these provisions.

However, we go a step further and say that after the Secretary has made the determinations with reference to the normal supply and the reserve supply he shall ascertain the wishes of the producers of the particular commodities, and in the event less than two-thirds of the producers of a particular commodity favor the imposition of the quotas, then the law which we have put into effect shall be inoperative. The referendum provisions of this law have no creative power but only the power of negation. The two-thirds voting in the referendum do not in effect say what shall be the Federal law, but, upon their decision with reference to the imposition of quotas, we by our vote direct the Secretary upon that second finding to make inoperative the law which upon the first finding becomes operative.

To my way of thinking, such a provision is analogous to the local-option laws which have been enacted in different parts of the country. In my own State of North Carolina we have a local-option liquor law. In many sections of the State we have a dry county surrounded by wet counties, or a wet county surrounded by dry counties. My friend the gentleman from Wisconsin complains, in effect, that the law is unconstitutional and not democratic, because the people in one county had no opportunity to vote and to express their opinion upon what the law should be in the county adjoining them.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I will yield in just a moment.

The gentleman takes the position, if I understand him correctly, that all the people in the dry counties and all the people in the wet counties are given a right to express their opinion.

Now, I yield to the gentleman from Wisconsin.

Mr. BOILEAU. May I say to the gentleman these local-option laws have developed over a period of generations and have been almost a part of the common law of this country.

Let me ask the gentleman this question: Does the gentleman believe it would be good policy and advisable, if it were constitutional, to submit a referendum to the people regarding whether liquor should be allowed in the gentleman's own county, to submit that question to the people of his county who drink liquor?

Mr. COOLEY. No.

Mr. BOILEAU. That is what you are doing by this bill. You are submitting the question to the farmers who produce these commodities, and not to all the people.

Mr. COOLEY. This bill affects only the producers of the commodities. He would say that it affects others, and they

should be given a right to vote. Why should the butcher, the baker, and the candlestick maker be permitted to vote in a referendum which provides the machinery to enable the producers of a certain commodity to regulate their own business, so long as the regulation of that business does not adversely affect the butcher, the baker, and the candlestick maker? The provisions of this law seek to establish an even and adequate flow of the commodity in commerce, not with the idea of unduly penalizing the consumer or lifting the profits of the producers abnormally high.

Mr. CREAL. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. CREAL. Provisions have been made by law for labor unions to bargain collectively and to strike, all of which means withholding the production of labor. Do you think any labor organization would agree to let the farmers vote on whether or not they should strike?

Mr. COOLEY. I do not believe they would. One further objection he makes is that it is not democratic and is not consistent with his ideas of democracy. I take the position that if it is constitutional, it is the very essence of democracy, because it permits the tillers of the soil and the producers of a particular commodity to say whether or not they want to be regulated. The laws in this country which are effective are those which are obeyed rather than those which are enforced, and this is one way of determining whether or not this particular law will be obeyed. We are not here dealing with crime.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. LEAVY. I am asking this question for information. Does this provision apply to every grower of tobacco in a certain given territory irrespective of the amount of tobacco he may produce?

Mr. COOLEY. Yes.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. BOILEAU. The gentleman does not want to give that impression as to the referendum?

Mr. COOLEY. Yes.

Mr. BOILEAU. A referendum of all farmers who shall be subject to the national marketing quota.

Mr. COOLEY. Yes; all the farmers who produce the given type in a particular area.

Mr. BOILEAU. Is there any limitation as to the amount produced?

Mr. COOLEY. No; the little farmer can vote with the big farmer.

Mr. BOILEAU. There is a limitation as to corn and the other products.

Mr. COOLEY. But not as to tobacco. The voice of the little man is as loud and as forceful as the voice of the big man under the language of the tobacco section.

Mr. HOFFMAN. But when you get to wheat, the farmer who produces less than 200 bushels cannot vote, can he?

Mr. COOLEY. I am frank to confess I am not familiar with the referendum provisions of the wheat section.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. FLANNAGAN. When it comes to wheat, the man producing less than 200 bushels is not subject to the quota.

Mr. COOLEY. I think that is the answer to the question of the gentleman from Michigan.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JONES. I may say that personally if a farmer has a natural right to market his commodity, and has no method of complete organization like business has, if everyone who would be subject to a quota is given the right to vote, that to me seems to be thoroughly democratic. He is the one who is going to be subjected to the quota, and all farmers are treated alike who are subject to the quota. It seems to me this is the essence of democracy.

Mr. COOLEY. I quite agree with the gentleman.

[Here the gavel fell.]

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. JONES. If the gentleman will permit, while I am on my feet and to save having to take the floor myself, I do not know whether the gentleman has covered it or not, but it seems the only decision by a court we have on this particular question involving the Triple A is the case of *Edwards v. United States* (91 Fed. (2d)), which was recently decided. The court upheld this character of referendum, distinguishing between the affirmative referendum which they call creation and a negative referendum which they called negation. This court, the United States Circuit Court of Appeals for the Ninth Circuit, upholds this exact type of referendum. This was not the Supreme Court, but it is the only court that has decided the exact question.

Mr. COOLEY. That is the circuit court opinion I had reference to.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. PHILLIPS. I am asking this question for information. I directed a similar question to the distinguished chairman of the committee the other day, and the matter is still cloudy in my mind, I confess. Suppose several communities, or let us call them groupments A, B, C, and D, vote for the quota, or a multiplication thereof, and X, Y, and Z vote against it, how, in one national economy, will the scheme work?

Mr. COOLEY. We have history to guide us. We had the Kerr-Smith Tobacco Act that worked very successfully, under which the farmers received fair and reasonable prices for their products. The consuming public was not adversely affected and the Government profited to the extent of about \$2,000,000. So we know in the tobacco country that this bill will work and we have faith in it.

Now, one other thing in conclusion. My friend from Wisconsin takes the position that it is all right for us to permit a Department head to make determinations upon statistical data and upon such determinations put a law into effect, but he objects to the same Secretary of Agriculture or Department official ascertaining the wishes of the people who are going to be more vitally affected than any other group in determining whether or not the law is to become inoperative. He takes the further position that because we insist upon giving the farmer the right to express his opinion by a secret referendum, we are demonstrating cowardice and a lack of courage and confidence in ourselves. I do not agree with him. [Applause.]

[Here the gavel fell.]

Mr. WADSWORTH. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it is apparent that this provision for a referendum in connection with the tobacco control—and I may say also in connection with the corn- and wheat-control provisions of this bill—brings up some fundamental questions. A discussion of the constitutional phase of this matter is somewhat over my head, I being a layman.

I am very much impressed, however, with the position taken by the gentleman from Wisconsin [Mr. BOILEAU]. I believe he is right when he says this is essentially undemocratic. I will venture a few observations about the constitutional side of it, without much confidence that I am correct but merely to indicate in what direction my alleged mind is groping.

I notice there is a quotation of a decision from the Supreme Court of the United States in the minority report, to be found on page 54. It is from the case of *Carter against Carter Coal Co.*, decided in May 1936, by the Supreme Court. The case involved a referendum vote among the producers of coal, the object of the referendum, as I recall it, being to ascertain the will of the majority of the coal producers and to compel the minority to yield to that will with respect to the operation of their businesses. The Court said:

That the power conferred upon the majority is, in effect, the power to regulate the affairs of an unwilling minority. This is legislative delegation in its most obnoxious form; for it is not even delegation to an official or an official body, presumptively disinterested, but to private persons whose interests may be and often are adverse to the interests of others in the same business.

Now, I assume that within certain bounds the Congress can say to the Secretary of Agriculture, "When you find a certain state of facts you may place this law of ours into effect." To that extent perhaps we delegate to the Secretary of Agriculture a certain administrative power if he finds a certain state of facts. That is an administrative function.

Mr. CLARK of North Carolina. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. CLARK of North Carolina. Is not the gentleman overlooking the fact that the bill itself puts the law into effect, and that the referendum provides that one-third of the farmers may negative the law?

Mr. WADSWORTH. I was coming to that in a moment. In other words, the gentleman finds there is a real distinction, when we are making laws, between negative action and affirmative action. I cannot agree with that.

Mr. SIROVICH. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. SIROVICH. Is it not a fact that the minority report cites the opinion of a judge which corresponds almost to the majority report of the Supreme Court in the *N. R. A.*?

Mr. WADSWORTH. I have not read that decision. I can see no essential difference between a negative decision and an affirmative decision reached by a referendum. In either case you are making law.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. MICHENER. I think the real distinction is that the Supreme Court has said that you cannot, under the Constitution, rely upon affirmative decision. Now they are trying it the other way around.

Mr. WADSWORTH. Now they are trying it the other way around.

Mr. MICHENER. And that is all there is to it.

Mr. WADSWORTH. The gentleman from Texas cites an opinion of the ninth circuit, and describes that opinion as upholding the right of a group of citizens to negative the enactment of a law, and that that is entirely different, essentially and fundamentally different from the right of a group of citizens to take affirmative action. My contention is that no group of citizens has the right to make law. [Applause.] We cannot delegate to farmers or bankers or packers or lawyers or any other selected group the right to say "yes" or "no" as to what is the law of the United States. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WADSWORTH. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. REILLY. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. REILLY. Would you not avoid somewhat the constitutional difficulty if the law provided that quotas would not be made until the Secretary of Agriculture and two-thirds of the farmers agreed that they should be made?

Mr. WADSWORTH. I cannot see how we have the right to delegate that law-making power to the farmers. It is nevertheless a law-making power which is sought to be delegated here, even though it be in a negative sense.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. BOILEAU. Even though this should be constitutional delegation of power, which I do not believe it is, would it not be a bad policy to establish in our Government that we should submit these questions to any group?

Mr. WADSWORTH. Why, to me—and I hope I may be regarded as a true liberal—this thing is vicious. It is vicious

to let a minority of the people of the United States decide what the law of the land shall be.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. COOLEY. In the first instance, in this particular case the Congress itself, the duly constituted body for that purpose, says what the law shall be.

Mr. WADSWORTH. And that ought to settle it.

Mr. COOLEY. Then the referendum says what the law shall not be.

Mr. WADSWORTH. And there you are.

Mr. COOLEY. The ninth circuit court made a distinction between the power of creation and negation.

Mr. WADSWORTH. This referendum provides in effect that if more than two-thirds say "yes," that shall be the law. Not two-thirds of all the people, but two-thirds of a certain selected group of people; yet the law affects 120,000,000 people. There is no getting away from it.

You would not dare do this in any other field of activity. You would not dare let dealers in securities decide upon what regulations shall limit the sale and marketing of securities. Not on your life would you. There is no difference in principle; none whatsoever. You would not let the lawyers of the land decide what shall be the procedure in our courts and freeze that procedure into a Federal statute. Not for one minute would you let them do it, either negatively or affirmatively.

Now, let us get into the practical side of this thing for just a moment. The tobacco section is not as difficult as the others. What would happen if you were to take a referendum of all the wheat growers of the United States? There is no limitation in the wheat section; everybody who grows wheat is affected by this bill, and every wheat grower in the country would be eligible to vote in the referendum. The referendum would extend from Maine on the east to San Francisco on the west. You would have to pass a national wheat election law before you got through; you would have to establish means by which the voter as he approached the polls could prove his eligibility before you got through; you would have to establish a registry system; you would have to set up complete election machinery.

You say that the Secretary of Agriculture shall hold that referendum by secret ballot of all the wheat growers in the country. Why, it is beyond his capability. The Federal Government has no machinery for it. It would become the rackets opportunity for half the county agents distributed through the rural counties of this Nation. Each county agent, in effect, would boss the county election and would manage the affair so as to give himself more per diems.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. SHORT. I think the argument of the gentleman from New York is absolutely unanswerable. Is it not conceivable that two-thirds could perhaps exercise tyranny over the one-third?

Mr. WADSWORTH. Certainly. You would have electioneering going on all over the place.

Mr. SHORT. And the Constitution was established in order to protect the minority from the tyranny of the majority.

Mr. WADSWORTH. I agree with the gentleman.

Mr. COOLEY. Mr. Chairman, will the gentleman yield for one question?

Mr. WADSWORTH. I have not sufficient time.

In any event, Mr. Chairman, in all seriousness, I do not think we, as Members of the House of Representatives, can embark upon a thing like this and establish a precedent of this sort to allow a selected group of the people to affirm or negative a law of the Congress. You cannot do that. It is vicious. [Applause.]

[Here the gavel fell.]

Mr. HOFFMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. I have a perfecting amendment to that paragraph. Am I not entitled to priority on that?

The CHAIRMAN. The gentleman may offer it provided it is a perfecting amendment to that paragraph.

Mr. HOFFMAN. It is.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 21, line 20, after the word "quota", strike out the balance of the paragraph and in lieu thereof insert the following: "Such quota shall not be effective unless two-thirds of the farmers who would be subject thereto, if a quota be adopted, vote in favor of the establishment of a quota by an election conducted in all respects in the same manner as is required by the laws of the respective States for the election of county officers."

Mr. GILCHRIST. Mr. Chairman, I reserve a point of order on the amendment.

Mr. HOFFMAN. Mr. Chairman, I agree with the gentleman from Wisconsin [Mr. BOILEAU] and with the gentleman from New York [Mr. WADSWORTH]; but in view of the fact that the Boileau amendment may be voted down, I want to try to improve the paragraph if I can.

The announced purpose of this bill is to aid the farmer. Many believe that while it will put money in the pockets of some farmers it will not benefit agriculture as a whole.

The price which the farmer pays in return for the bounty which he receives is the surrender of the control to the Secretary of Agriculture of the land which he owns, insofar as the production and the marketing of certain crops is concerned. This being a free country, if the farmer desires to make the exchange, it may be said he should have that privilege.

The paragraph to which I have offered this amendment provides for a referendum. Referenda on other measures like this conducted in some districts have been a direct invitation to deception, coercion, fraud, and oppression, because the ballots have been taken out by interested persons, and the agent who takes them out talks with the men who are going to vote. In some places and in some instances the fellows who are not favorable to the program do not get a ballot.

Mr. SIROVICH. Intimidation and coercion.

Mr. HOFFMAN. It is intimidation because the man who distributes and collects the ballots also counts them; and if I am so fortunate as to get a ballot and I vote against it, when he comes to administer that act, if he follows the precedent of the President, who attempted to discharge a member of a board because that man's "mind did not go along with his," do you see where I would be? My mind does not run with the mind of the man who is administering the act. When, therefore, he comes to determine quotas and benefits, my claim to a quota or a benefit payment might not be considered at all, or with less sympathy than the claim of a "conformer."

The committee was kind enough to approve of an amendment which I offered, adding, after the word "referendum", the words "by secret ballot"; but that amendment does not go far enough.

The paragraph as written provides that one-third may by their vote prevent the application of the quota.

This amendment now offered provides that a quota shall not be established unless two-thirds of the farmers who will be subject to the quota specified, if a quota be adopted, vote for the establishment of such quota. And it also provides that the election shall be conducted in each district in the same manner as is provided by the laws of the State for the election of county officers.

If the election is conducted in the same manner other elections are conducted, instead of going around collecting ballots, having them signed, sticking them in the collector's pocket, and counting them in secret, they will be counted as are other ballots. There is nothing wrong or unfair about that.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Minnesota.

Mr. KNUTSON. What provision does the bill in its present form have for balloting?

Mr. HOFFMAN. None at all. It is left to the Secretary of Agriculture or the county committeemen.

Elections are conducted under this paragraph by those who presumably favor the establishment of a quota. Their jobs depend upon the establishment of a quota. They are therefore personally directly interested in the adoption of a quota.

They should not be permitted either to supervise the election or to count the ballots or to ascertain the manner in which any farmer votes; for in their hands rests the power as they administer the act, to reward or punish the individual farmer by the manner in which they construe and apply the act.

The unfairness of the referendum, as provided in the bill, is apparent. The decision of the Secretary to establish a quota is conclusive and is final unless one-third of the farmers who vote oppose his decision.

Why should the Secretary of Agriculture, unless we intend to make crop control compulsory, have the authority to establish a quota in the first instance?

Would it not be more in line with our form of government, our method of doing business, to provide that the quota should only apply when and after those directly affected by it have decided, by secret ballot, that they desire it?

It will be noted from a careful reading of the bill that practically every provision in it tends to vest additional authority in the Department. The deck is stacked against the independent farmer.

In late summer, the President here in Washington, apparently became convinced that a great national crisis existed; otherwise he would not have called the Congress to meet here in special session on November 15 to pass the four measures to which he has made reference.

In these days when economy is needed, unless there was an emergency, all these measures might well have rested until the regular January session.

But the President saw, or thought he saw, an emergency which could only be taken care of by the enactment, before January, of the four measures which he specified and of which this present bill is one. Arriving here, the Congress found upon its doorstep the four measures which the President deemed all-important at the time the call was issued.

Congress also found upon arrival that another child of the administration—the direct result of the administration's rape of business—had come home to the White House door—out of courtesy called a business recession, rather than by its true name, "depression"—and was clamoring for attention.

This foundling, ill-mannered, disturbing, and exacting as it may be, while fathered by the administration, nevertheless has some claim upon Congress, for Congress acted as its godfather. And here we are, the godfathers. And where is the President, the real father? He has gone fishing.

He calls us from our homes, from the counsel of those who might really advise us as to what the country wants; he gets us down here; he leaves his "yes men" in charge; the leaders are called down to the White House, where son James Roosevelt reads to them the instructions of the President. Then the President, suffering from a toothache—and we all sympathize with him—or from a headache, which is more likely, takes a yacht to southern seas.

These Presidential vacations are getting to be something of a habit. It may be recalled that in 1933, when the country was faced, so the President said, by a great national crisis, he took a warship or two and sailed to the Pacific.

Last spring, when John L. Lewis and his C. I. O. "raised hell" by taking possession of the factories in Michigan and helped start this depression on its way, the President went down to Warm Springs.

This time, with William Green, of the A. F. of L., and John L. Lewis, of the C. I. O., and their cohorts staging a pitched battle in Washington; with the National Labor Relations Board, at the request of the C. I. O., citing businessmen and employers before it for trial on C. I. O. charges, the President, having called Congress back in special session because it did not jump through the hoops he provided last summer; finding, when we get here, that his plans and schemes have miscarried, digs out on another vacation.

He acts something like a boy around the Fourth of July. He sets the match to the firecracker and then runs away.

It is about time that we assert ourselves and confine our attention to the repeal of those laws which have brought about the depression strike which is now upon us. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. Does the gentleman from Iowa [Mr. GILCHRIST] insist upon his point of order?

Mr. GILCHRIST. Mr. Chairman, I withdraw the point of order because I misunderstood the amendment when it was read.

Mr. JONES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a very interesting discussion. Frankly, I do not think anyone knows what the final decision will be upon this question. The amendment offered by my friend, the gentleman from Michigan, certainly would be an affirmative referendum, and therefore it would come within the ban of the expressions in the Carter coal case by the United States Supreme Court. That is an affirmative referendum. It does not fall within the Edwards case.

If you had to take these referenda and hold them as an election would be held, it would be expensive for all practical purposes. On the practical side of it, I may say the Department conducted a very satisfactory referendum in the cotton area in a very brief time, and there is not any doubt that it reflected the sentiment of those people. I had some doubt about it myself until I went through two or three States. So on the practical side I think it is a good way to get the sentiment of the farmers.

Mr. SIROVICH. Could intimidation and coercion be used?

Mr. JONES. There is no intimidation or coercion that I have heard anything about. There may have been sporadic instances, but there was no intimidation or coercion of a general nature.

This very question, raised in the Edwards case, is a very interesting distinction. That is the only decision, so far as I know, on the specific subject. The court distinguishes the Carter Coal case, in which the affirmative referendum is condemned by saying that the principle of the Carter case does not apply where the act done is one of negation. I think there is a distinction. Whether it is one that will be recognized by the Supreme Court or not I do not know. The effect of an affirmative referendum is to some degree the determination of the question of whether a law shall ever become operative. This referendum would not repeal the law. It would simply be a condition under which a provision of law otherwise made effective under the law would become inoperative for that particular year.

It is paralleled in a number of instances. For instance, my State, and I am sure other States, passed a general irrigation or drainage district law under which a vote is had in the district of the farmers and landowners living in the district. If a specified majority vote that that law shall become applicable, they can organize and make it operative. But if more than a certain percentage vote adversely, the operation of the law in that section is negated. It seems to me that is a parallel, because if they come in and vote accordingly and the law becomes operative, then all the farmers in the district are affected. The same thing is true frequently in connection with general municipal corporation laws. Under those laws, a community may vote or a municipal charter may be changed from an individual charter to a charter under the general law. Charters have been changed, not by action or the vote of all the people but changed sometimes by the action of the vote of the board of aldermen, if that mode is specified by the terms of the law. I do not think anyone can say definitely that this particular provision is subject to the objection mentioned. I do say, where farmers are so vitally affected in the marketing of their products as they are by these quotas, it is fair to say that as a condition, not by repeal of the law but as a condition, to the continued operative effect of the law for that year a negative referendum may intervene.

[Here the gavel fell.]

Mr. LEAVY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. LEAVY. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Washington.

Mr. LEAVY. Is the unit that votes in these referendums a national unit?

Mr. JONES. It is a unit of all those who would be subject to the quota.

Mr. LEAVY. Throughout the Nation?

Mr. JONES. Throughout the Nation.

Mr. LEAVY. Then taking wheat, for example, if Texas, having many more people than the State of Washington, voted nearly unanimously for it and the people of Washington unanimously against it, that would mean the farmers of Washington would have imposed upon them the ideas of the people of another State?

Mr. JONES. The same thing would be true in the election of a President or Vice President.

Mr. LEAVY. The gentleman's answer is in the affirmative then?

Mr. JONES. Of course, it is as national as the production of that commodity or it is as regional as the production of the commodity.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU].

THE REFERENDUM AND DEMOCRACY

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not exactly sure what definition of democracy appeals to the gentleman from Wisconsin, but it certainly seems to me we are here facing a fundamental decision with respect to the whole act. It certainly illustrates what a tangled web we get into when we attempt to deal with questions as involved as this. We must consider the question of democracy with relation to the entire act.

Under the Soil Conservation and Domestic Allotment Act a man can stay out or come in as he pleases. If he comes in, he gets benefit payments, but under the marketing quota sections of this bill once the quotas are established the man who does not choose to come in under soil conservation or anything else is bound to come in. He has no choice. His only chance to choose is the referendum.

The question we are going to settle here is whether or not a man's right to plant as much as he wants and what he wants on the land he farms, the title to which may be in his own name, is to be determined by somebody sitting in Washington, by one man, or whether the operation of the marketing quota is to be determined by at least a two-thirds vote of those who participate in the election.

Neither of these may be pure democracy. I am willing to grant that the second method may not be pure democracy. However, as between the two, between letting one man say when these marketing quotas shall come into operation determining whether a man shall or shall not plant what he chooses to plant on his own land, and the method of a referendum, I prefer the latter.

Using 100 as an illustration, suppose only 60 men take part in a referendum, then 40 men voting for the quota system can put it into operation, and 21 men can stop it. Forty would not be a majority of all the farmers, assuming 100 as the base, yet that minority could put into operation marketing quotas which would be binding upon the 20 who voted "no" and also on the 40 people who stayed at home and did not take part in the election and who never applied for and never came under soil-conservation acreage allotment.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Illinois.

Mr. LUCAS. The gentleman from Wisconsin is very gravely disturbed, apparently, judging from his remarks, about fascism entering this country through this kind of a program. Does the gentleman agree with me that fascism will enter this country more nearly through the delegation of powers to one man than the delegation of powers to a group throughout the country?

Mr. CASE of South Dakota. I certainly do agree with the gentleman. I believe that delegation of such power to one man neither responsible nor responsive to the people is the essence of fascism.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. The gentleman was going to yield to me, but he did not, and my time is practically exhausted.

Mr. BOILEAU. I intended to yield to the gentleman but did not have an opportunity.

Mr. CASE of South Dakota. One system may be fascism and the other may be bolshevism, I do not know about that, but if we are going to set up a quota system which will apply to the men who do not even vote, when it comes to choosing between letting one man say when farmers go under a rigid quota system with all the penalties this bill provides, between letting one man decide and letting all the farmers participate in that decision, let us at least give them a chance to say whether or not they want to put their heads in the noose. [Applause.]

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want, first, to call the attention of the Committee to the fact that we are not establishing any precedent by this legislation, because as long ago as 1935 we passed the A. A. A. amendments, which contained an almost precisely similar provision applying to agreements and marketing quotas under the Agricultural Adjustment Act. This law is still in effect, and a decision under that act by the Circuit Court of Appeals of the Ninth Circuit has been cited here as the Edwards case.

I must confess I cannot share the fears of the gentleman from Wisconsin [Mr. BOILEAU] as to what a situation of this kind may lead to; neither do I feel this type of legislation is out of harmony with legislation we have had throughout the history of this country along the line of local option. The gentleman from Wisconsin has attempted to distinguish between the power granted here and the ordinary local-option election, and he has distinguished between those cases by saying everyone can vote in a local-option election, but only those who are producers of the commodity which would be affected by the order can vote on a particular question. It seems to me there is no distinction there. In a local-option election we let everyone vote who would be affected by the result of the election, for that is the theory. We want to get the people who are going to be affected to vote on the question, no matter whether it concerns a liquor law, organizing a drainage district, or whatever it may be. The people who are to be affected are there given the right to pass on the matter. In this case we do the same thing.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. HOPE. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Does the gentleman mean to say if this bill becomes a law and is carried out the consumer will not be affected?

Mr. HOPE. I am talking about a marketing quota which will go into effect under this act.

Mr. HOFFMAN. Will not that raise the price to the consumer?

Mr. HOPE. We do not know whether it will or not. That is not primarily the effect. I am talking about the effect on the individual. If this marketing quota goes into effect, the individual producer will be restrained from exercising the right he would otherwise have to sell his entire crop. He is the man who is directly affected. Therefore we say that because he is directly affected he has the right to vote on that question, just as everyone who is to be directly affected under

a local-option law has the right to vote on that particular question.

There has been some criticism of the decision of the court in the Edwards case because it did distinguish that case from the Carter Coal Co. case. However, in the Carter Coal Co. case, under the original Guffey Coal Act, two-thirds of the producers and a majority of the miners in a given district were given the power to make the orders. This is the distinction between the two cases. Here the Secretary is given the power to make the order when he finds that certain conditions exist. The law itself states the conditions which must exist and the nature of the order to be made. The producers have nothing whatever to say about those things. The quota does not actually go into effect, however, if more than one-third of the producers oppose it. The decision of the circuit court of appeals in the Edwards case is the only one directly in point. The contention is made that on the general question involved the weight of authority is the other way. However true that may be, the Edwards case is good law on this point unless and until reversed by the Supreme Court. Very likely the case will come before the Supreme Court before the regular session of Congress adjourns. Almost certainly before quotas can be put into effect under the act, if the Supreme Court should reverse the Edwards case, then Congress can take whatever action is necessary in the way of amending this law.

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 25 minutes, and may I say in this connection that I would like for every one possible to stay here until the amendment is disposed of? It is proposed that the Committee shall rise as soon as these referendum amendments are disposed of.

The CHAIRMAN (Mr. McCORMACK). The gentleman from Texas asks unanimous consent that all debate on this amendment and all amendments thereto close in 25 minutes. Is there objection?

Mr. ANDRESEN of Minnesota. Reserving the right to object, the request applies to the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU] and all amendments to his amendment?

Mr. JONES. Yes; I believe the amendment of the gentleman from Michigan has been disposed of.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GWYNNE. Mr. Chairman, I am in support of the Boileau amendment, because I believe the referendum feature of this part of the bill is clearly unconstitutional. Furthermore, I think the unconstitutionality of that part of it will carry down the entire national marketing quota.

The provision of the Constitution which this violates, of course, is title I, which prohibits the delegation of legislative power. On last Monday I made a statement on the subject. I cited certain cases to which I then referred, cases that hold that legislative power that has been delegated to Congress by the Constitution may not be redelegated to the people any more than judicial power or Executive power may be redelegated to the people.

Now, we have heard something about cases involving local referenda. Those cases are not authority in this situation. Those cases are explained by the Anglo-Saxon type of government that we took over when we adopted the Constitution.

It is said further in defense of this attempted referendum that it is a referendum of negation; that Congress first passes a complete law and then gives the people the right to affirm or deny the law. The answer to this, in my judgment, is twofold. First, we do no such thing in this law and, second, if we did it would make no difference anyway.

I call your attention to the wording of the bill on page 21. We provide for a national marketing quota. How do we do it? By taking several successive steps. First, the Secretary of Agriculture announces a quota. Then there is a referendum. If the referendum is opposed to the quota, the quota does not become effective.

Now, it makes no difference whether you state that question of a referendum affirmatively or negatively. The question gets down to this: On what does the quota depend? What is it that breathes the breath of life into a national marketing quota? Not this Congress; we do not use our judgment about it at all. Not the order of the Secretary of Agriculture; but it is purely and simply the vote of these people, and if they do not vote it, it never becomes effective.

This is a clear case of delegation of legislative authority. It makes no difference whether we state the question affirmatively or negatively, if the thing depends upon the will of these people and not upon the will of Congress. We have then delegated our authority unconstitutionally; the referendum is unconstitutional and carries down the marketing quota.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. LUCAS. Will the gentleman discuss that in the light of what the Court has said?

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. MICHENER. As a matter of fact, the courts of the land have decided that what this proposes is unconstitutional unless there is a difference between affirming a law and negating a law by referendum. The Edwards case attempts to make such a distinction. It would seem that the real purpose of the Edwards case is to get another hearing and possibly before a changed Supreme Court. I agree with the observations of the gentleman from Iowa.

[Here the gavel fell.]

Mr. REES of Kansas. Mr. Chairman, we have had much discussion as to whether or not we are losing some of our rights under a democracy. I am inclined to agree with the gentleman from South Dakota that perhaps we should take the lesser of two evils. That is to say, we had better abide by the vote, whatever we have, one-third or two-thirds, rather than to be controlled by one individual bureaucrat here in Washington.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. SHORT. Does not the gentleman feel that a referendum, under the provisions of this bill, will be very similar to an election in Germany under Hitler?

Mr. REES of Kansas. Well, I could not compare that.

Mr. CASE of South Dakota. Will the gentleman yield right there?

Mr. REES of Kansas. I yield briefly.

Mr. CASE of South Dakota. Would you not rather have a referendum than to have Hitler decide it?

Mr. REES of Kansas. Oh, certainly. But I do call attention to this: There is not much said about the way this election is going to be conducted. Talk about equalities. It does not compare at all with the example given by the gentleman from North Carolina [Mr. COOLEY] on the question of local option. It says the farmers to be affected thereby, whether they own a thousand acres or 10 acres, have the same right to vote, although they are affected according to the amount of acres they own. We do not know whether they live in the county or in the State. Nevertheless they seem to have the right to vote.

What I am calling attention to is the fact that we seem to have a very, very vague plan so far as the chance to vote on this question is concerned.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield for a question.

Mr. HOOK. Does not the same situation apply when there is an election on a bond issue? Only taxpayers are allowed to vote. Whether you own \$100 worth of property or \$1,000,000, you have but one vote.

Mr. REES of Kansas. No; the gentleman's comparison is not in point, because when an election is held on a bond issue the entire city votes, or the entire county votes, or the entire State votes, as the case may be; but under this bill

a certain group of farmers are allowed to vote, but it makes no difference whether they own 1 acre or 100 acres. I do not think the gentleman's example is in point. This vote determines the question as to whether or not the farmers are going to be subjected to certain penalties if they do not comply with the act.

Mr. HOOK. But only taxpayers vote on a bond issue.

Mr. LORD. I do not agree with the gentleman. Another element is involved. So far as the Secretary of Agriculture is concerned, he has no discretion. The formula is put into the bill and he must act. There is no discretion in his hands at all.

Mr. REES of Kansas. Mr. Chairman, as I have said before, I believe the majority of the Members of this House want to be of such assistance as they can, to the farmers. I am sure they want to provide legislation that will afford a fair price for their products, if it can be done.

The thing to which I want to direct your attention here is that I believe the amendment offered by the Member from Wisconsin should be defeated, for the reason that if we are going to have marketing quotas as provided by this bill—and the problem of a marketing quota is another question—then it will be better for us to proceed under paragraph B of this section and give the farmers who would be subject to a national marketing quota, if there be one, a chance to determine whether or not they are in favor of, or opposed to, such a quota.

Under the provisions of this section, it is possible that farmers who do not favor the quota will be required to abide by its terms—but even at that, the farmers will have some voice in determining the question. This is preferable over that of permitting this important question to be determined by one man who is the head of a department of government, regardless as to how fair he may want to be toward those involved.

And so I agree with the Member from South Dakota [Mr. CASE]. We maintain a little more of our rights of democracy by keeping paragraph B in the bill rather than by striking it out.

Mr. Chairman, I yield back the balance of my time, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman already has that privilege. The time of the gentleman from Kansas has expired.

The Chair recognizes the gentleman from New York [Mr. LORD].

Mr. LORD. Mr. Chairman, as I see the situation, we have not the nerve to vote the legislation before us, but put it up to a minority to decide what the law shall be. It is time that we legislate in a constitutional way. There are some, I believe, who want to tread paths that are not constitutional. This section that Mr. BOYLAN of New York seeks to eliminate, some believe, has been written in this bill purposely so that the bill will be decided unconstitutional when it goes to the courts. The bill will be much better if this amendment prevails. It seems to me that Members are afraid to pass legislation stating definitely what is proposed, knowing the results of the A. A. A. This bill is sectional, seeks to increase the cost to the consumer and dairy farmer, and it is doubtful if it will benefit anyone. It surely is to the disadvantage of the dairymen of the Northeast. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BARDEN] for 5 minutes.

Mr. BARDEN. Mr. Chairman, I think we have become unnecessarily bogged down in this situation. I like the enthusiasm of my friend from Wisconsin; he is always sincere in his efforts and he certainly has V-8 pick-up when it comes to presenting a matter. I think he is unduly alarmed in this instance, however.

Mr. Chairman, I represent a district which grows probably 65,000,000 or 70,000,000 pounds of tobacco. I do not believe you could find one living human being who grows tobacco in my district who would raise a single objection to this proposal, nor could you find one human being in my dis-

trict who would raise his voice in opposition to the right of those affected to express their views on this legislation.

The situation in agriculture is difficult and always has been difficult. Agriculture is not highly organized. In order to put any agricultural program across you must have the cooperation of the farmers and you must have their sympathetic attitude. They have called for this and we have come here in special session to legislate for them. It is beyond me to see how there is absence of democracy in permitting them to put their stamp of approval on it.

The gentleman from New York referred to nerve. I think his reference is a little out of place, because some would think that it takes nerve to drive 90 miles an hour in an automobile. I have another name for it. I do not see why we should deceive ourselves by taking this paragraph out, for it does no one any harm even though it might not be constitutional, and I certainly would not admit that, although I would not attempt to qualify as a constitutional lawyer. I have practiced law some 20 years but I would not pose as being a constitutional lawyer in this year of 1937 because the woods are full of them, and I do not know what they look like.

I like the candor of my friend from New York. I always love to hear him talk; but, unfortunately, I think the gentleman is dealing with a situation with which he is not very familiar; and I think that some of the others who have expressed themselves as being against this paragraph are not familiar with the situation.

Mr. LORD. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. No; I prefer to proceed, if the gentleman will let me.

This paragraph has been characterized as obnoxious because it delegates this simple right to the people. I cannot understand that; I cannot understand how it is obnoxious to let those farmers who are going to make a success or failure out of this piece of legislation have a say-so, have something to say about whether they like it or do not like it.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I prefer not to yield, Mr. Chairman.

Mr. CHURCH. I want to correct the gentleman.

Mr. BARDEN. The gentleman will be here all the Christmas holidays, because I was here with him Thanksgiving Day. [Applause.] He will have plenty of time to talk.

Mr. Chairman, I believe if we remove this paragraph that it is going to be a thorn in their side, because all of the Congressmen from tobacco districts met together and worked diligently on this section, and we know what the tobacco people want.

We know what the people want, and what they want will not inconvenience any living soul. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The question is on agreeing to the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU].

The amendment was rejected.

Mr. JONES. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 8505) to provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. KENNEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech that I delivered on the floor of the House on April 23, 1936.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to include at the end of my address today a table showing percentages with reference to the proper allocation of the money in the soil-conservation fund.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MAVERICK asked and was given permission to extend his own remarks in the RECORD.

RESIGNATION FROM COMMITTEE ON NAVAL AFFAIRS

The SPEAKER laid before the House the following letter of resignation, which was read:

DECEMBER 3, 1937.

HON. WILLIAM B. BANKHEAD,
The Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I herewith tender my resignation as a member of the House Committee on Naval Affairs.

Respectfully,

JOSEPH E. CASEY.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ADJOURNMENT OVER

Mr. JONES. Mr. Speaker, the Committee on Agriculture has been working very steadily and some of the members are behind with their work. I therefore ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT

Mr. JONES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 33 minutes p. m.), under its previous order, the House adjourned until Monday, December 6, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Immigration and Naturalization Committee on Wednesday, December 8, 1937, at 10:30 a. m. Business to be considered: Hearing on H. R. 8549.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of Mr. MALONEY's subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, December 16, 1937. Business to be considered: Hearing on S. 1261, through-routes bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

875. A letter from the Attorney General, transmitting information relative to amending section 35 of the Criminal Code; to the Committee on the Judiciary.

876. A letter from the Acting Secretary of the Interior, transmitting copy of legislation passed by the Municipal Council of St. Croix at the meeting held October 12, and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

877. A letter from the Acting Secretary of the Interior, transmitting copy of legislation passed by the Municipal Council of St. Thomas and St. John, and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MAY: Committee on Military Affairs. S. 1485. An act to prohibit the making of photographs, sketches, or maps of vital military and naval defensive installations and

equipment, and for other purposes; with amendment (Rept. No. 1650). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 8595) to limit the licensing of vessels engaged in catching, killing, or processing whales, or in catching, killing, or processing of other aquatic products; to the Committee on Merchant Marine and Fisheries.

By Mr. GRAY of Pennsylvania: A bill (H. R. 8596) to amend the law relating to appointment of postmasters; to the Committee on the Post Office and Post Roads.

By Mr. KERR: A bill (H. R. 8597) to provide for the conservation of national soil resources and to regulate production of peanuts and provide an adequate and balanced flow of this commodity in interstate and foreign commerce; to the Committee on Agriculture.

By Mr. SABATH: A bill (H. R. 8598) to regulate interstate and foreign commerce by prescribing the conditions under which corporations may engage or may be formed to engage in such commerce, to provide for and define additional powers and duties of the Federal Trade Commission, to assist the several States in improving labor conditions and enlarging purchasing power for goods sold in such commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. McGEHEE: A bill (H. R. 8599) to foster interstate commerce and encourage visitation of national military cemeteries by cooperating with the States in making certain interstate bridges toll free; to the Committee on Interstate and Foreign Commerce.

By Mr. LUTHER A. JOHNSON (by request): A bill (H. R. 8600) to amend section 10 of the Trade-Mark Act approved February 20, 1905, as amended; to the Committee on Patents.

Also (by request), a bill (H. R. 8601) to amend section 16 of the Trade-Mark Act approved February 20, 1905, as amended; to the Committee on Patents.

Also (by request), a bill (H. R. 8602) to authorize the registration of certain collective trade-marks; to the Committee on Patents.

Also (by request), a bill (H. R. 8603) to amend section 1 of the Trade-Mark Act approved February 20, 1905, as amended; to the Committee on Patents.

Also (by request), a bill (H. R. 8604) to amend the trademark laws of the United States; to the Committee on Patents.

Also (by request), a bill (H. R. 8605) to amend section 6 of the Trade-Mark Act of March 19, 1920, as amended; to the Committee on Patents.

Also (by request), a bill (H. R. 8606) to amend section 12 of the Trade-Mark Act approved February 20, 1905, as amended; to the Committee on Patents.

Also (by request), a bill (H. R. 8607) to amend section 476 of the Revised Statutes; to the Committee on Patents.

Also (by request), a bill (H. R. 8608) to vest in the register of copyrights the registration of copyright prints and labels; to the Committee on Patents.

By Mr. SPARKMAN: A bill (H. R. 8609) to extend the times for commencing and completing the construction of a bridge across the Tennessee River between Colbert County and Lauderdale County, Ala.; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Missouri: A bill (H. R. 8610) for the relief of T. Jarvis Co.; to the Committee on Claims.

By Mr. BOREN: A bill (H. R. 8611) for the relief of W. Cooke; to the Committee on Claims.

By Mr. GRAY of Pennsylvania: A bill (H. R. 8612) granting a pension to Edith Green; to the Committee on Invalid Pensions.

By Mr. HOPE: A bill (H. R. 8613) granting a pension to Sadie Hainline; to the Committee on Invalid Pensions.

By Mr. KELLY of New York: A bill (H. R. 8614) granting a pension to John C. McMorrow; to the Committee on Pensions.

Also, a bill (H. R. 8615) granting an increase of pension to Jennie Peavey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8616) granting an increase of pension to Catharine Mann; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8617) granting an increase of pension to Grace M. Oliver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8618) granting an increase of pension to Mary Jane Shell Thomas; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 8619) granting a pension to Daniel Blanton; to the Committee on Pensions.

By Mr. SABATH: A bill (H. R. 8620) for the relief of Stanislaw Pasko and Ksavery Frances Pasko (nee Fyalowna); to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3490. By Mr. RAMSPECK: Petitions of Miriam Rogers and others of the young people's and adult organizations of Haygood Memorial Methodist Episcopal Church South, Atlanta, Ga., urging the enactment of (1) the Ludlow foreign-war referendum amendment bill, (2) the Nye-Fish bill and the O'Malley bill for a peacetime embargo on arms, and (3) the bills for the nationalization of the munitions industry (H. R. 2907 and S. 874); to the Committee on Foreign Affairs.

3491. By Mr. CURLEY: Petition of the United Federal Workers of America, endorsing the Bigelow bill (H. R. 8428) to provide for the hearing and disposition of employee appeals from discriminatory treatment by superiors in the Federal service; to the Committee on the Civil Service.

3492. Also, petition of S. S. Lurline, opposing any legislation to control labor relations in the maritime unions; to the Committee on Labor.

3493. Also, petition of the United Federal Workers of America, endorsing the McCormack bill establishing a 5-day workweek for employees of the Federal Government; to the Committee on the Civil Service.

3494. By Mr. FITZGERALD: Petition of the Inter Veteran Association of New Haven County, Conn., urging our representatives in the Congress of the United States the urgent need for a congressional investigation into the organization of the German-American Bund, its aims and its purposes; to the Committee on Foreign Affairs.

3495. By Mr. MERRITT: Resolution of the Lincoln Grange, P. of H., No. 122, opposing the Black-Connery wage and hour bill; to the Committee on Labor.

3496. By Mr. TEIGAN: Petition of the Border Farmer-Labor Club, of Border, Minn., requesting that the Frazier-Lemke refinance bill be passed at the earliest possible date and afford farmers the opportunity to repossess and own their homes free of debt in the future; to the Committee on Banking and Currency.

SENATE

SATURDAY, DECEMBER 4, 1937

(Legislative day of Tuesday, November 16, 1937)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, December 3, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Copeland	Hatch	Norris
Bankhead	Davis	Hayden	Pope
Barkley	Ellender	Hitchcock	Schwartz
Blibo	Frazier	Johnson, Calif.	Sheppard
Borah	George	King	Thomas, Utah
Brown, Mich.	Gibson	Logan	Truman
Bulow	Gillette	McGill	Vandenberg
Burke	Graves	McNary	Van Nuys
Byrnes	Green	Miller	Walsh
Clark	Hale	Minton	

Mr. MINTON. I announce that the junior Senator from West Virginia [Mr. HOLT], the Senator from Delaware [Mr. HUGHES], and the Senator from North Carolina [Mr. REYNOLDS] are absent because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. BYRD], the junior Senator from Illinois [Mr. DIETERICH], the Senator from Pennsylvania [Mr. GUFFEY], the senior Senator from Illinois [Mr. LEWIS], the Senator from Connecticut [Mr. MALONEY], the Senator from New Jersey [Mr. MOORE], the senior Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Texas [Mr. CONNALLY], the junior Senator from Maryland [Mr. RADCLIFFE], the senior Senator from Maryland [Mr. TYDINGS], and the Senator from Tennessee [Mr. MCKELLAR] are necessarily detained.

The junior Senator from New Jersey [Mr. SMATHERS] is detained from the Senate because of illness in his family.

Mr. AUSTIN. I announce that the Senator from Massachusetts [Mr. LODGE] is absent on official business.

The VICE PRESIDENT. Thirty-nine Senators have answered to their names. There is not a quorum present. The clerk will call the names of the absent Senators.

The Chief Clerk called the names of the absent Senators, and Mr. CAPPER, Mr. GERRY, Mr. MURRAY, and Mr. PITTMAN answered to their names when called.

Mr. ADAMS, Mr. ASHURST, Mr. BULKLEY, Mr. CHAVEZ, Mr. DUFFY, Mr. HARRISON, and Mr. LONERGAN entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty Senators have answered to their names. A quorum is present.

When the Senate recessed yesterday the Senator from Utah [Mr. KING] had offered an amendment, which is lying on the table, and asked for recognition this morning. The Chair recognizes the Senator from Utah.

Mr. COPELAND, Mr. AUSTIN, and other Senators addressed the Chair.

The VICE PRESIDENT. Does the Senator from Utah yield, and, if so, to whom?

Mr. KING. I yield first to the Senator from New York.

PETITIONS

The VICE PRESIDENT laid before the Senate the petition of the Council of American Master Mariners, New York City, N. Y., praying for the enactment of legislation repealing the provision of law requiring American ships plying between ports of the United States to pay Panama Canal tolls, which was referred to the Committee on Inter-oceanic Canals.

He also laid before the Senate a resolution adopted by the annual meeting of the State Council of New Jersey, Junior Order of United American Mechanics, held at Atlantic City, N. J., favoring the appointment of a special committee of the Senate and House of Representatives to act in conjunction with the National Geographic Society and other learned societies and organizations to investigate and determine the origin and development of the American flag—"the Stars and Stripes," which was referred to the Committee on the Library.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. LONERGAN:

A bill (S. 3088) granting an increase of pension to Ida A. Joab; to the Committee on Pensions.